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FINAL CUT — A worker at the British cemetery in Bayeux on Wednesday preparing for D-Day commemorations. Elsewhere in Normandy, crickets are everywhere. Page 3.

INTERNATIONAL CLASSIFIED

U.S. Revs Engines to Launch Supersonic Aircraft

By Ralph Vartabedian
Los Angeles Times Service

WASHINGTON — Without much fanfare, given the stakes, NASA is poised to issue a \$1.5 billion contract to a consortium of every major U.S. commercial airplane and jet engine company for an ambitious research program leading to a supersonic jetliner in regular service by 2005.

It is a colossal industrial project that would require enormous investments, carry huge technical risks and raise potentially serious environmental concerns.

But picture the rewards. A sleek, needle-nosed jetliner carrying 300 passengers taxis out of Los Angeles International Airport, rolls to a hushed takeoff over the Pacific Ocean, then accelerates like no commercial plane in history

— reaching 2.4 times the speed of sound nearly 12 miles (19 kilometers) above the Earth.

The titanium airplane with a cockpit that looks like a video arcade pulls into Tokyo in just over four hours, cutting six hours off the normal trip.

Jet-lagged international travelers have been anticipating such an airplane for 20 years, since Congress halted development of a first-generation supersonic jetliner and Europe produced the rival Concorde — an economic flop.

Some experts claim the National Aeronautics and Space Administration is too optimistic about its ability to solve the environmental problems. And the airlines, reeling from financial losses, have voiced little enthusiasm for buying new planes, particularly ones a decade away.

Yet, advances in technology have raised expectations in the Clinton administration that the long-standing economic and environmental problems with supersonic jets can be overcome if the government puts in the seed money.

NASA hopes Americans will dominate the market, which would likely include foreign suppliers and investors.

There is a huge potential payoff if the plane fulfills its promise of being far more fuel-efficient than the Concorde and if it can fly without fouling the atmosphere.

NASA touts the program as the most important industrial project in the nation's future and says it is a key to halting the erosion of American dominance of the world aircraft industry.

At stake is a potential \$200 billion in orders for 500 to 1,000 of the supersonic aircraft,

which would support roughly 140,000 manufacturing jobs, said Wesley Harris, NASA's aeronautics chief.

"We have growing confidence that this plane will be built by 2005 by either the U.S. or the Europeans," he said. "Who will build it? U.S. companies must be in the driver's seat."

"I believe it is the most critical manufacturing decision this country will make in the next 10 years."

The strong advocacy reflects a changed attitude at NASA, which for years has sponsored aerospace research that of ten helped foreign competitors as much as Americans and often engaged in academic research with little commercial value.

Since the Apollo moon missions, NASA's

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Kiosk

U.S. 'Will Not Flinch' In Korea Showdown

WASHINGTON (Reuters) — Vice President Al Gore said Wednesday that the United States "will not flinch" in its showdown with North Korea over nuclear weapons.

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Book Review	Trib Index
Dow Jones Up 2.46 3,780.83	Down 0.12% 112.31
The Dollar New York Wed. close DM 1,6464 Pound 1,5169 Yen 104.50 FF 5,6265	previous close 1,6458 1,5105 104.78 5,6265

Congressman-as-Crook Attitude Prevails

By Dan Balz and Eric Pianin
Washington Post Service

WASHINGTON — An institution already bruised from a succession of scandals has received another black eye with the indictment of Representative Dan Rostenkowski, and Republicans got a campaign issue for this year's midterm elections.

The 17-count indictment against the powerful Chicago Democrat embodies the resentment many Americans long have harbored against Congress, that its members enjoy perks and privileges not available to ordinary citizens and have used their positions for personal enrichment rather than the public good.

Mr. Rostenkowski proclaimed himself innocent of taking public funds for private use, and vowed to fight the charges, which include mail fraud, wire fraud, tampering with a witness, concealing a material fact, and aiding and abetting a crime. But many Americans already have

found the Congress guilty, and the case outlined by U.S. Attorney Eric Holder on Tuesday will very likely feed public cynicism regardless of how the legal battle turns out.

"People are going to sit back and watch this trial and say, 'I always thought that politicians used public office for private gain and now I know it's true,'" said Mark Mellman, a Democratic pollster.

"If you multiplied the \$600,000 allegedly embezzled by 435 members of Congress, you would get an idea of how big this is in the eyes of the taxpayers," said Representative Ernest J. Istook Jr., an Oklahoma Republican, who won his seat two years ago by defeating a scandal-ridden Republican in the primary. "Rightly or wrongly, it gives fuel to people who believe that everybody in Congress is a crook."

That cynicism has put incumbents on the defensive, spawned the term-limits movement in America and helped to give rise to Ross Perot and his followers. Even before the indictment

Tuesday, incumbents were nervous about the voters' mood this year.

The assault on Congress's image has come in many forms over the past five years: the scandals over the House bank and post office; the resignation under a cloud by former Speaker James C. Wright, a Texas Democrat; a stream of television reports on the junkets and goodies enjoyed by those in office.

Polls continue to show an overwhelmingly negative view of Congress as an institution. Four in five voters say members of Congress quickly lose touch with people back home and three in five disapprove of the job Congress enjoys.

The fallout of declining public confidence in Congress and demands for ever-stricter ethics laws and tighter regulations on public behavior also have led to a record number of

See CONGRESS, Page 3

Prince Rides to Euro Disney's Rescue

Compiled by Our Staff From Dispatches
PARIS — Walt Disney Co. and Euro Disney SCA said Wednesday that a Saudi prince had agreed to buy as much as a 24 percent stake in the struggling Euro Disneyland theme park near Paris.

The entertainment company also said the prince, Prince Walid ibn Talal ibn Abdulaziz, an international investor who is also the largest shareholder in the New York-based banking company Citicorp, would participate in a 6 billion French franc (\$1 billion) rights offering and would provide a financing commitment for a convention center near the park.

United Saudi Commercial Bank, of which Prince Walid is chairman, has agreed to act as a backup underwriter for three banks leading to

the syndicate that will underwrite 51 percent of the rights offering. The three banks are Banque Nationale de Paris, Banque Indosuez and Caisse des Dépôts & Consignations.

Disney said it had agreed to subscribe to the remaining 49 percent of the rights offering.

Under the agreements, Prince Walid and United Saudi Commercial Bank also accepted restrictions on the resale of their Euro Disney stock and a 10-year restriction on increasing their stake in the park.

Terms call for Prince Walid, 37, to buy between 13 percent and 24 percent of Euro Disney's shares, depending on demand for the rights offering. His investment could reduce Walt Disney Co.'s stake in the Disney park from 49 percent to as low as 36 percent.

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2 Worlds Collide, Gently, at U.S. School

By Michael Winerip
New York Times Service

WINDOW ROCK, Arizona — As part of an exchange program in April, nine top seniors from Window Rock High School on the Navajo reservation journeyed to Connecticut to spend six weeks at one of the nation's premier college preparatory schools, Choate-Rosemary Hall.

The Navajos were nervous.

"I was worried," said Thelma Woodie, who will attend community college in Scotland.

Arizona. "They told us President Kennedy went to Choate. They go to Harvard, Yale, Williams — I've heard of those places, but we're not ready for those schools yet."

The Choate kids were nervous, too. Their teachers explained that the Navajos would be quiet — it's their culture.

"One of our teachers told us there's a rule in the Navajo culture not to look in people's eyes," said Kristin Mahan, a Choate senior. "I said, 'O.K., I'll be careful about that.' We weren't told too much else, so we had, like, no clue."

After a few hours of charting, the students hit off. Kristin then felt safe to ask Thelma about the eye business.

"Really?" replied the girl from Window Rock. "I don't think so. I never heard of it."

Thelma went on to tell the Choate girls about her boyfriend. "He's a dweeb," she said. "He does dances in Window Rock, Monument Valley, Chinle High. Mainly rap, techno, R&B, house music." She said he goes under the name Phase II.

The Navajos had heard that many Asians

attended Choate. Thelma wondered if they would dress in traditional garb.

"Then I was looking out the window and I see these Korean twins driving around in a BMW," she said.

In time, the Navajo and Choate seniors became friends. It dawned on them that their differences were less about culture and more about wealth and social class.

Andrea Gorman, a Navajo who plans to study engineering at Arizona State University, said: "They have computers, laser printers, a lot of expensive things in their rooms. They get all their meals in the dining room and still order out."

In their own ways, each high school serves an elite. Choate sends 99 percent of its students to college, with a large number going to the Ivy League. For example, more than 30 of the 300 Choate seniors were accepted at Brown University. Half of Choate's graduating class took a college-level calculus course.

Window Rock is the seal of government for

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Thomas Coex/Agence France Presse

France's Tapie: Bad News Is All to the Good

By Alan Riding
New York Times Service

PARIS — Besieged by judges, creditors, tax inspectors and political foes, a French industrialist-turned-politician seems to be living proof that all publicity is good publicity. Despite his troubles, Bernard Tapie's political career is flourishing.

Almost daily, French newspapers have carried articles about judges demanding that his immunity as a member of Parliament be lifted, about a major bank threatening to seize his property to cover \$215 million in debts and about accusations of a tax dodge involving his yacht.

And these followed a headline-grabbing ruling by the French soccer federation that Mr. Tapie's top-ranking soccer team, Olympique Marseille, be relegated to the second division as punishment for the apparent involvement of some of its players and officials in a match-fixing scandal.

Yet Mr. Tapie may have good reason to appear unruffled. A poll published by the newspaper Le Parisien said 44 percent of those questioned believed that he was "the victim of a plot by certain journalists, politicians or magistrates," against 34 percent who disagreed.

Further, 57 percent said he should remain a candidate for the June 12 elections for the European Parliament. According to other polls, his party, Radical Energy, may get 10 percent of the vote, more than enough for him to win election and renew his immunity from prosecution.

Mr. Tapie's appeal seems to be that after a rags-to-riches career in business he elbowed himself into a political system that prefers to reward those who climb quietly through the

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Policemen inspecting a car that exploded Wednesday in Madrid. It may have been used earlier by the assassins of an army general.

Basques Suspected of Slaying Spanish General

Compiled by Our Staff From Dispatches

MADRID — An army general leaving for work Wednesday morning was shot and killed by unidentified gunmen believed to be Basque separatists, the Defense Ministry said.

Officials speculated that the attack was linked to separatist attempts to gain publicity before the elections for the European Parliament on June 12.

A car that police suspect was used in the assassination in its escape exploded in a nearby street shortly after the killing. There were no injuries. Madrid police had cleared the area after an anonymous telephone warning.

Brigadier General Juan José Hernández Rovira was dead on arrival at the Gregorio Marañón Hospital with gunshot wounds to the head, neck and chest.

A private radio quoted a witness who said a man and a woman carried out the shooting just outside the victim's home.

Officials said the killing bore the hallmark of the Basque separatist group ETA. General Hernández Rovira was the 17th soldier or general officer rank killed by ETA since Prime Minister Luis Carrero Blanco, an admiral, was assassinated by a bomb in Madrid in 1973.

"This makes us fear the worst," that ETA has a unit in Madrid," Defense Minister Julian García Vargas said as he left the hospital.

The group, whose name is a Basque language acronym for Basque Homeland and Liberty, has killed more than 735 people since it took up arms in 1968 to win independence for the three-province Basque region.

The radical Basque newspaper Egin carried an ETA communiqué Wednesday claiming responsibility for the killing of a paramilitary Civil Guard in the Basque port of Bilbao in April and a car bomb attack that killed an army lieutenant in Madrid last week.

On Sunday, three people were seriously wounded by package bombs left on beaches near Bilbao.

The latest killing was ETA's third attack in 10 days.

Prime Minister Felipe González's Socialist Party issued a statement after the shooting, urging Spaniards to unite to fight terrorism.

"At this time, when all political groups are preparing to go freely to the polls, this terrorist action demonstrates clearly the cowardice of those who, far from taking part in democratic institutions, prefer to use terror and blackmail to sustain arguments devoid of rationality," the statement said.

In the campaign for the European Parliament, the fallout from a series of corruption scandals has given the conservative Popular Party a chance of defeating the ruling Socialist Party in a poll at national level for the first time in their history.

(AP, Reuters)

Exiled Saudis Press Fahd for Orthodoxy

By Carlyle Murphy
Washington Post Service

CAIRO — Saudi dissidents seeking to transform what they call a "tyrannical" Saudi government into a "true" Islamic state have set up shop in London, charging they were forced into exile by repression at home.

The Committee for the Defense of Legitimate Rights represents the first time in recent memory that dissidents from within Saudi Arabia's Sunni Muslim majority have started activities abroad. Although there is no evidence they have broad support within the kingdom, their activities could prove embarrassing to the secretive Saudi monarchy, which tries to keep its fits behind closed doors and prides itself on religious orthodoxy and its role as custodian of Islam's holiest shrines, at Mecca and Medina.

The group was banned by Saudi

authorities shortly after its establishment in Riyadh last year, and most observers say its chances of attracting wide support at home are blunted by the pervasiveness of the Saudi welfare state and a web of business partnerships that link the royal family to the country's elite.

"I don't think this group has done enough conceptual work to offer ideas and make themselves acceptable to outsiders," said a Saudi analyst. "Although they are demanding more accountability from Saudi rulers, their ideas on some social issues, such as women, are more orthodox than the reformists."

But the group appears to have several factors that could give it weight, including financial backing and connections within the Saudi bureaucracy. Most importantly, it draws support from disaffected Saudi professionals and clergy who

are most responsible for obstruction of for-

ward movement on notice; it is time for Somalis simply to get on with the job of moving toward political reconciliation," said Edward W. Gnehm Jr., the U.S. deputy permanent representative to the United Nations.

Despite U.S. impatience, the council decided to give Somalia the "last chance" that Secretary-General Boutros Ghali said it deserved after the United Nations spent \$2 billion in a year and a half to rescue the country from famine and clan warfare.

But Somalia has forced the United Nations to ponder how long it should wait for warring leaders to settle their differences before UN officials pull back their support and conclude they have done all they can.

In a May 24 report, Mr. Boutros Ghali told the council that security in Somalia was "deteriorating, with forces allied with the militia leader Mohammed Farrah Aidid on the offensive to seize new territory in several regions. The 13 major clans have refused to honor a commitment they made March 24 to disarm voluntarily.

Because of the infighting and rampant banditry, "the emergency situation continues and the welfare of large numbers of Somalis remains at risk," the secretary-general warned. He said any immediate reduction of UN forces could plunge the nation back into the war-induced starvation that killed hundreds of thousands of Somalis in 1992.

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IMPROVE
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ECONOMY

Army Wounds 17 Palestinian Rioters

Compiled by Our Staff From Dispatches

RAMALLAH, West Bank — Israeli soldiers wounded 17 Palestinian protesters on Wednesday when rioters attacked a police station in the West Bank, a day after undercover officers killed two Islamic activists.

The violence was one of the most serious outbreaks since Palestinian self-rule started May 18 in the Gaza Strip and the Jenicho region of the West Bank.

Israeli sources said rioters attacked the Israeli police station in Ramallah, a city of 30,000 people north of Jerusalem that is not in the self-rule zone. Soldiers fired rubber bullets and tear gas, the sources said.

However, doctors at the emergency room in Ramallah Hospital said that some of the 17 Palestinians admitted for treatment had been hit with regular bullets. That said one was in critical condition with head and chest wounds.

Ramallah is near Al-Ram, where security forces shot and killed two members of Hamas, a Muslim extremist group, as they were getting off a bus on Tuesday. Hamas opposes the autonomy agreement.

The rioters on Wednesday were from all political factions.

"As long as there is terror from the Israeli Army, the bloodshed will not stop," said Houd al-Gazal,

17, whose neck was grazed by an army bullet. "We have martyrs, casualties and no peace."

Despite the violence, an Israeli official strongly praised the Palestinian police force, saying guerrilla violence had begun to decline in the self-rule areas that the police took over last month under the Israel-PLO peace deal.

Before withdrawing troops from Jenicho and much of the Gaza Strip in May, Israeli officials had expressed fears of sudden chaos and bloodshed in the self-rule zones.

The situation in the field is a pleasant surprise, and every local or foreign observer in Gaza and Jenicho is amazed by the seriousness of the Palestinian police and the ways in which they've taken on their duties," Environment Minister Yossi Sarid, speaking for the Israeli government, said in the Knesset.

Mr. Sarid, one of the architects of the accord on the mechanics of self-rule signed in Cairo a month ago, said the "grasp of terror" in Gaza and Jenicho was in decline. "There is a gradual stabilization in the areas handed over to the Palestinian police."

Twenty-two policemen entered Gaza from Egypt on Wednesday. They, like a group of 260 policemen who crossed into the strip earlier

this week, had been based in Algiers.

Mr. Sarid dismissed as lies charges by Israeli hard-liners that the Palestinian police had drafted guerrillas who had killed Israelis in the past.

"As of now the Palestinian police are doing their jobs properly, they are worthy of trust and certainly of credit," he said. (AP, Reuters)

This week, had been based in Algiers.

By Don Phillips
Washington Post Service

WASHINGTON — The Federal Aviation Administration has expressed concern about accidents and incidents involving China Airlines, the official airline of Taiwan, and has invited the company to discuss how the United States can help improve it.

"We expect very shortly that they will be able to sit down with us and discuss specific assistance we can give them," said Anthony J. Broderick, the agency's associate administrator for regulation and certification.

The Federal Aviation Administration effectively has put China Airlines on notice that it expects the company to take action on safety-related issues.

The airline, stunned by a series of incidents that appear to be related to poor training or unprofessional behavior, has instituted a re-training program for all its pilots. The Transportation Ministry of Taiwan has also warned the airline, which flies international routes and owns at least 30 wide-body jets, to enforce Taiwanese aviation law.

Tests show that drinking may have been a contributing factor in the latest crash of an Airbus A300 on April 26 at Nagoya Airport in Japan, in which 264 people were killed. The head of the National Public Safety Commission in Japan reportedly confirmed reports that both pilots had been drinking.

A preliminary report on the accident by the government of France, where the Airbus is

WORLD BRIEFS

France Protests Canada Fishing Law

PARIS (Reuters) — France reopened a long-standing trans-Atlantic fishing dispute on Wednesday, protesting a new Canadian law that allows authorities to stop and search vessels outside of a 320-kilometer limit. Canada adopted the law last month to help it chase unlicensed fishing ships from international waters off its East coast.

The French foreign minister, Alain Juppé, said the law "does not conform to international law and in particular violates the United Nations convention on the law of the sea." He termed it "unacceptable," adding that France intended "to strongly denounce it, both in our bilateral relations with Canada but also in mobilizing the European Union." He said Paris would ask European Union fisheries ministers at their next meeting to lodge a protest against the law.

Germany Bars Far-Right From Vote

BERLIN (AP) — Germany's biggest far-right party was barred Wednesday from participating in an East German state election, and a leading party member defected, accusing his colleagues of condoning anti-foreigner violence.

The Republicans were barred from the June 26 ballot for Saxony-Anhalt state because they chose candidates during a secret, and therefore undemocratic, convention, the state electoral commission decided in Magdeburg.

Udo Boesch, formerly a member of the Republicans' national steering committee, announced Tuesday night that he was quitting the party because it had become extremist. He accused former colleagues in the party's highest offices of dishonesty in their condemnation of anti-foreigner violence. "All manner of anti-foreigner and anti-Semitic hate propaganda courses through this party," Mr. Boesch was quoted by the Cologne Express newspaper as saying. "In no way should this party be allowed to enter Germany's Parliament."

Judge Reinstates Gay U.S. Officer

SEATTLE (Reuters) — A highly decorated former army nurse who was forced out of the National Guard after acknowledging she was a lesbian was ordered reinstated by a U.S. judge on Wednesday.

District Judge Thomas Zilly wrote that the military ban on homosexuals was based on prejudice and a clear violation of the equal-protection clause of the constitution. Lawyers have said the case, will likely be appealed.

The judge also ordered the military to expunge any record of Colonel Margarette Cammermeyer's sexual orientation. She won the Bronze Star for distinguished service in Vietnam and was the highest ranking officer to challenge a 1981 ban against homosexuals in the military, which was relaxed slightly last year by the Clinton administration.

Kravchuk Rejects Force on Crimea

KIEV (Reuters) — President Leonid M. Kravchuk took a soft line on Wednesday in tackling separation in the Crimean Peninsula, but members of Ukraine's Parliament demanded firm action to bring the region to heel.

Mr. Kravchuk, addressing Parliament, accused authorities in Crimea of plotting to secede from Ukraine, but offered no tough measures to force them to observe the country's laws. "Deputies are trying to provoke me into saying we must use methods involving force," he said. "I want to approach this calmly, using our constitution and laws."

Parliament was considering the next move in a battle with Crimea's pro-Russian authorities after the region's Parliament refused to go back on its restoration of a constitution Kiev views as the first step toward secession. Crimean authorities ignored an ultimatum to comply with the order within 10 days, ending on Monday.

UN Gives Ultimatum

To Somali Factions

By Julia Preston
Washington Post Service

UNITED NATIONS, New York — The Security Council, demonstrating its growing impatience with bickering clan leaders in Somalia, renewed the UN mission there for only four months and warned that it could wind down the operation in mid-July if there is no progress toward peace.

The Clinton administration brought its cautious new policy on UN peacekeeping, approved in early May, to bear on the UN mission in Somalia. U.S. diplomats pressed for the mission to be renewed for only 45 days. In a compromise, council members voted Tuesday, 13 to 0, for the four-month extension instead of the previous six-month period and to reassess the mission before the end of July.

"This resolution puts those most responsible for obstruction of for-

ward movement on notice; it is time for Somalis simply to get on with the job of moving toward political reconciliation," said Edward W. Gnehm Jr., the U.S. deputy permanent representative to the United Nations.

Despite U.S. impatience, the council decided to give Somalia the "last chance" that Secretary-General Boutros Ghali said it deserved after the United Nations spent \$2 billion in a year and a half to rescue the country from famine and clan warfare.

But Somalia has forced the United Nations to ponder how long it should wait for warring leaders to settle their differences before UN officials pull back their support and conclude they have done all they can.

In a May 24 report, Mr. Boutros Ghali told the council that security in Somalia was "deteriorating, with forces allied with the militia leader Mohammed Farrah Aidid on the offensive to seize new territory in several regions. The 13 major clans have refused to honor a commitment they made March 24 to disarm voluntarily.

Because of the infighting and rampant banditry, "the emergency situation continues and the welfare of large numbers of Somalis remains at risk," the secretary-general warned. He said any immediate reduction of UN forces could plunge the nation back into the war-induced starvation that killed hundreds of thousands of Somalis in 1992.

UN Calls for a Cease-Fire in Yemen

UNITED NATIONS, New York (Reuters) — The Security Council called unanimously Wednesday for an immediate cease-fire and negotiations to end Yemen's month-old civil war.

The resolution also urged an immediate halt to the supply of arms that might contribute to the conflict and asked Secretary-General Boutros Ghali to send a fact-finding mission to the area as soon as practicable to assess prospects for a peace dialogue.

The council acted despite opposition from the San'a government to UN involvement in the crisis. While South Yemen leaders have pinned their hopes on UN action to stop the war, in which the more populous North Yemen has held the upper hand, the North's government stresses Yemen's unity and opposes any move implying recognition of the south.

TRAVEL UPDATE

Rome Tightens Security for Clintons

ROME (AFP) — Thousands of police officers will be deployed throughout Rome for President Bill Clinton's visit Thursday, and major disruptions are expected. Police officers will be paying special attention to road circuits traveled by the Clinton motorcade.

Via Veneto, in the heart of Rome's historical district, will be under tight surveillance because the U.S. Embassy, where the Clintons will stay, is located there.

Private vehicles and tour buses have been banned from parking on city streets, and taxis have been ordered to use outfitting roads.

Plots and navigators set a one-day strike against France's domestic airline Air Inter for Thursday, but company management said in Paris that the action would not cause flight delays or cancellations. (Reuters)

British Midland Airways has signed a code-share agreement with Austrian Airlines. Under the accord, Austrian Airlines will offer seats on British Midland services to Belfast, Dublin, Glasgow, Edinburgh, Teesside and Leeds Bradford. Travelers on British Midland will be able to make twice-daily connections to Vienna. (Bloomberg)

The U.S. Federal Aviation Administration has decided that, starting July 1, a minimum separation of 4 nautical miles will be required for flights following 757s, an increase from the current 3 miles. Turbulent winds created by the wake of the 757s have been implicated in several incidents. (AP)

Vietnam Airlines will start its first flights to Western Europe on July 1, flying a route from Hanoi to Ho Chi Minh City, Dubai, Berlin and Paris, airline officials said Wednesday. (Reuters)

U.S. Offers to Help Taiwan on Airliner Safety

By Don Phillips
Washington Post Service

WASHINGTON — The Federal Aviation Administration has expressed concern about accidents and incidents involving China Airlines, the official airline of Taiwan, and has invited the company to discuss how the United States can help improve it.

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THE AMERICAS /**Frenchman Works the Bugs Out of His D-Day Crickets**

By Dana Thomas

Washington Post Service

VILLEBIEU-LES-POELES, France — "Look at this!" sports Andre Letellier, a brass craftsman. In his hand is a toy cricket, one of those little noisemakers that everyone's kid brother had when he was 7 or 8.

He clicks.

"Listen to it!" he sniffs. Bad sound, he says. Way inferior. "And look at this!" He bends the brass part like taffy.

"This one apparently is made in Hong Kong. There's another from Asia — I don't know where."

Mr. Letellier is incensed not because he's a proud Frenchman, but because he has dedicated himself to reproducing a cricket that looks and sounds exactly like the crickets used by the U.S. 82d and 101st Airborne divisions to communicate after they parachuted into the town of Sainte-Mere-Eglise on the night of June 6, 1944.

Mr. Letellier measured the thickness and lengths of

metal to the millimeter, matched the weight to the milligram. He used the same quality brass and steel, and the sound-making divots are the same depth and contain the same slight curve.

But more than anything else, Mr. Letellier's crickets click the same click as the antiques. Same tone. Same crispness. Same loudness.

It's a noise, he says proudly, "that will crack your head."

He clicks his cricket.

"You see?" he asks, clicking like a madman. "The sound is authentic."

It all began last Christmas. Mr. Letellier and members of his family, who come from nearby Sainte-Mere-Eglise, were sitting around the table trying to figure out a way to participate in the 50th anniversary celebrations of the Normandy invasion.

"I wanted to do something respectful for the people who died for us," he said, sitting behind the desk of his small office in the industrial section of this 12th-century town.

Someone suggested the cricket.

Mr. Letellier owns a company that produces brass

lamps. Because the lamp business slows from May to October, the 46-year-old executive figured he could change over his machines to produce crickets.

But first he had to make the prototype. His uncle provided the model: an original that he says belonged to a wounded American soldier who stayed at the family home to heal. "When he left, he gave my uncle his compass and his cricket," Mr. Letellier.

For six hours one night, Mr. Letellier worked on crafting an exact reproduction of the antique. "I respected the axis, and the form and dimension, the distance of the base to the end — everything," he says. "One must, it's an obligation."

The cricket played an important part in the invasion: it was the communications system among American paratroopers who crept through the village streets and behind the hedgerows.

One click identified you as an American. Two clicks meant the coast was clear.

As John Wayne told the crowd of paratroopers in the 1962 movie "The Longest Day," "If you don't get that answering click, hit the dirt and open fire."

Sadly, 50 years ago, the crickets weren't the only

thing to make that noise. When a German rifle was cocked, the sliding of the loading mechanism made a double click similar to that of a cricket. Many GIs clicked their one click, heard two clicks, came out from hiding and were shot dead.

Mr. Letellier's crickets are the only crickets to receive the official seal of approval from the Normandy celebration committee, and each one bears a sticker to prove it. There are two versions: the economy package, which is a cricket in a plastic pouch, for \$4.30, or the deluxe, which is a cricket displayed in a plastic box, with a mini-banner that reads "U.S. Army, 1944-1994," and a gold star, for \$6.

You can buy them almost anywhere in Normandy — newsstands, gas stations, mini-markets, butcher shops — in Canada, England, Switzerland and even Germany. Mr. Letellier says he put them on the market in mid-April, and by early May, had sold 200,000 — a few more than the 82d and 101st originally required.

As for plans to put a few into the hands of those who were there 50 years ago, Mr. Letellier says, "No, not yet. I don't know them." But he is optimistic.

"It will happen," he says, with a smile. "I'm sure."

New Style in Ways and Means**But Gibbons, Long an Understudy, Is No Wheeler-Dealer**

By Katharine Q. Seelye

New York Times Service

WASHINGTON — After 32 years in Congress, 13 of them in the shadow of the larger-than-life Dan Rostenkowski, the relatively obscure Sam M. Gibbons has become acting chairman of the Ways and Means Committee, the most powerful panel in the House of Representatives.

Mr. Gibbons, who has been on the losing side of previous leadership battles in the House, has long aspired to the chairmanship. But in the end, the 74-year-old Tampa Bay, Florida, Democrat ascended on the basis of seniority, a system he once deplored. Once Mr. Rostenkowski, Democrat of Illinois, was indicted, the title of acting chairman went automatically to the person next in line. Had there been a vote, some said privately, Mr. Gibbons would probably not have won.

A courtly and somewhat contrary Floridian, the affable Mr. Gibbons lacks the legendary deal-making and politicking skills of his predecessor. His reputation is that of a loner; he has never been called an insider. Not at the center of power, he has had little chance to bestow favors on colleagues, and as a result, few representatives owe him anything in return.

But just because his style differs from Mr. Rostenkowski's does not mean that Mr. Gibbons cannot succeed as chairman. "The question," said a top congressional aide,

"is how well can he move and motivate the committee? Given Rostenkowski's reluctance to share power, very few members have had a tryout, so it's hard to say."

Mr. Gibbons, who heads the trade subcommittee, said he was ready to take the helm. "I don't see how I could be any better prepared, frankly," he said in an interview in his Capitol Hill office. On his walls were several photographs showing the evolution of the Ways and Means Committee over the years, with a slowly aging Mr. Gibbons steadfastly to the right of the now aging chairman.

"I love the work," he said, "and I think I would enjoy the challenges" that it would throw at me." The committee writes all tax legislation and covers most of the biggest spending programs in the budget, including welfare, Social Security and Medicare. "Other than Rosy," he said, "I've been writing tax law longer than any other person who's ever looked at it."

Where Mr. Rostenkowski is a facilitator, Mr. Gibbons is perceived as a man of firmly held convictions. He is one of the staunchest defenders of free trade in the Congress. He has also long defended the federal income tax system as cumbersome, complex and unfair and has outspokenly advocated its overhaul.

"He tends to try to bring people to where he is, rather than finding the center," the aide said. "He looks for what he sees as the best prepared" to take over the Ways and Means chairmanship.

openly states his position and hopes that it has logic and merit.

On health care, the central legislation before the committee, Mr. Gibbons had supported a system in which a single payer, the government, pays virtually all the bills. But after realizing that such an approach had little political support — and in his desire to appear more accommodating to his colleagues as the committee chairmanship loomed — Mr. Gibbons came out four-square for President Bill Clinton's health plan, assuring both the president and Hillary Rodham Clinton last week that he would push the administration proposal.

"Sam will have a disadvantage that Danny does not in that he's starting from scratch as chairman," said James Corman, a former congressman who sat between the two men on the Ways and Means Committee. "A chairman builds loyalty, and there's no way you can do that without being chair. It will take him a little time to build up those chits."

Another of Mr. Gibbons's strong convictions is that he sees no conflict of interest with his son Clifford S. Gibbons, a Washington lobbyist whose corporate clients are keenly interested in Ways and Means affairs and who lobbies the committee on which his father serves. Clifford Gibbons has also organized fund-raising events for his father's political campaigns.

"He doesn't lobby me," Sam Gibbons said flatly.



Representative Sam Gibbons: "I don't see how I could be any better prepared" to take over the Ways and Means chairmanship.

CONGRESS: Rostenkowski Indictment Plays to Public Perception of a House of Crooks

Continued from Page 1
resignations by House incumbents over the last two election cycles. Republicans signaled Tuesday they would try to make Mr. Rostenkowski part of their arsenal of attack against Democrats this fall.

"It's more than an indictment of a man, it's an indictment of a system of political boss control of Congress for 40 years," said Representative L. William Paxton of New York, chairman of the National Republican Congressional Committee. "Nothing's going to change in Congress until the public changes the party in control."

Mr. Paxton said Mr. Rostenkowski "absolutely" will be an issue in the fall campaigns. "It already is a key part of the fall message," he said.

But a freshman representative, Peter R. Deutsch, Democrat of Florida and a former state legislator, said that voters were not likely to hold any one party responsible for political corruption when members from both parties have had their problems.

"This fall, I think the attitude will be 'a plague on both your houses,'" Mr. Deutsch said. "This indictment is a personal tragedy for

Away From Politics

• A killer who said he would "do anything" to remain in jail has been granted his request to be kept in solitary confinement for the next 25 years. Terence Douglas, 45, is to be confined at a prison being built in Florence, Colorado, for America's worst criminals until he is at least 73, under terms of a sentence imposed by a judge in New Haven, Connecticut.

• A Kuwaiti convicted of enslavement in Massachusetts has been sentenced to a year in prison. Prosecutors say Talal Alzaini, 31, a Boston University graduate student, threatened to kill his housekeeper if she left his apartment in Quincy and fed her only bread. He was also ordered to pay \$13,415 in back wages to the woman, Vasanthi Gedara, 27, a Sri Lankan he hired in Kuwait to keep house for him and his wife.

• Jack Fuller, the Chicago Tribune Co.'s president and chief executive officer, was named its publisher Tuesday, replacing John Madigan, who was named president and chief operating officer of the parent Tribune Co.

• Only tuna caught without endangering dolphins can be sold, bought or shipped in the United States under terms of the 1992 Marine Mammal Protection Act, which just took effect. More than 90 percent of the tuna sold in the United States already meets that standard, officials said.

• Hundreds of Los Angeles police officers called in sick for the third day in a row as an acrimonious contract dispute with the city over pay continued. The mayor, Richard Riordan, has urged the officers to accept mediation to break the impasse. The Police Protective League, the officers' union, said it did not favor the move.

• An anti-abortion coalition began a boycott of Hoechst AG of Germany and Roussel Uclaf of France, developers of the so-called abortion pill RU-486. The coalition, which includes the National Right to Life Committee and the Southern Baptist Convention, did not specify which of the companies' products would be targeted.

Reuters, AP

DISNEY: Prince to the Rescue

Continued from Page 1

ney are bright. Becoming a partner in the Euro Disney project is consistent with the prince's strategy to invest significant amounts of capital in association with superior management teams around the world."

Euro Disney's chairman, Philippe Bourguignon, said in a statement released in New York that the transaction "demonstrates confidence in the long-term success of Euro Disney."

Michael Eisner, chairman of Walt Disney Co., based in Burbank, California, said the investment by Prince Walid "means there is a strong, sophisticated new part-

away from him like crazy," a House Democrat said.

Mr. Gephardt tried to draw a parallel with the indictment of Representative Joseph M. McDade, a Pennsylvania Republican, as evidence that the damage from Mr. Rostenkowski will be limited.

"The minority has had a ranking member of the Appropriations Committee under indictment and it hasn't impaired their ability to say anything," Mr. Gephardt said.

But Frank Luntz, who polls for Republicans, said the indictment itself will "allow Republicans to point the finger at another major Democrat" and make it easier for

any joy in this because I think it will reflect badly on the whole institution," said Representative Michael N. Castle of Delaware, a first term congressman. "My impression is that Congress's image bad will begin to improve in the last year or so, and then this happens."

Deputy Secretary of State Strobe Talbott is to begin a visit to the Island on Thursday.

A formal agreement on a processing facility could be announced during these meetings, officials said, and the first Haitians could be brought to Jamaica as early as the beginning of next week.

We think you should judge for yourself, so we would like to invite you to an information session on our campus at Fontainebleau on one of the following dates:

★ POLITICAL NOTES ★**Americans Won't Cast First Stone**

WASHINGTON — More than 70 percent of Americans say it is none of their business whether President Bill Clinton has been unfaithful in his marriage, according to a new poll.

A smaller majority of those polled, 62 percent, said even if they knew for sure that Mr. Clinton had been unfaithful, it would not affect their vote if he ran for re-election.

Thirty-five percent said they would be less likely to vote for the president if they knew he had cheated on Hillary Rodham Clinton. The other 3 percent were not sure.

But predicting how marital infidelity would affect votes in an election is tricky, warned David Kranz, vice president of Louis Harris and Associates, which conducted the telephone poll.

"Right now 62 percent say it would make no difference, but if this were a major issue in the campaign, I suspect that number would go lower," he said. The poll of 1,253 adults, done May 23-26, was not limited to likely voters.

(AP)

Warner Is Moving to Freeze Out North

WASHINGTON — Senator John W. Warner, Republican of Virginia, said he will actively support an independent Senate bid by fellow Republican J. Marshall Coleman if Oliver L. North wins the Republican nomination on Saturday, and Mr. Warner may even renounce the party by seeking re-election in 1996 as an independent.

Mr. Warner said he has been encouraging Mr. Coleman, a former state attorney general, to mount an independent campaign.

The potential for a dannybrook began building four months ago, when Mr. Warner became the first senior Republican official to publicly criticize Mr. North. On the day Mr. North formally declared his candidacy, Mr. Warner gave a round of scathing interviews in which he questioned Mr. North's fitness for the job.

Several weeks later, when the former president, Ronald Reagan, released a letter criticizing Mr. North, Mr. Warner played a key role in disseminating it. Finally, Mr. Warner said he could not actively support Mr. North under any circumstances.

(WP)

Additional White House 'Training' Flights

WASHINGTON — White House officials said aides to President Bill Clinton had used the presidential helicopter for their own purposes on a dozen occasions, all but one of them legitimate.

The list of 11 other flights disclosed by the White House nevertheless raised new questions about the use of helicopters from the presidential fleet.

While most of the missions were described as training flights by White House military aides or officials from the White House military office, one was listed as a classified mission in which the passengers were Henry G. Cisneros, the secretary of housing and urban development, and Alice M. Rivlin, the deputy director of the Office of Management and Budget.

DoD Myers, the White House spokesman, said that flight, on April 14, was "in connection with their official duties," but she and other administration officials refused otherwise to describe the purpose of the journey or say why the officials would be involved in a classified mission.

In making public the new information, the White House said it had adopted new procedures to guard against further incidents of misuse like the golf outing last week that led to the forced resignation of David Watkins, the White House director of administration.

Mr. Watkins, who previously balked at reimbursing the government, said Tuesday that he would repay the \$13,296 bill that the Marine Corps said represented the cost of his trip last Tuesday.

(NYT)

Quote/Unquote

The House Republican Whip, Newt Gingrich of Georgia, on the corruption indictment of Representative Dan Rostenkowski, Democrat of Illinois: "Frankly, the Congress, I think, is being battered by these kinds of charges. The big winner on this whole thing is the term-limits campaign."

(Reuters)

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Neofascist Won't Drop Criticism of Gay Italians

Reuters
ROME — An Italian neofascist who suggested sending homosexuals to concentration camps said Wednesday that his comments had been inopportune but defended his view that homosexuality was a vice and a misfortune.

Piero Buscaroli, a candidate for the National Alliance movement in this month's European Parliament elections, made his defense in a letter to *Il Giornale* newspaper, which is owned by the family of Prime Minister Silvio Berlusconi.

Mr. Buscaroli offered to resign from the newspaper, to which he contributes, but said he would not change his opinion and criticized the Italian press and Reuters for the way his remarks were reported.

"I believe that one should bestow on this vice, and a vice it remains, the tolerance and pity that modern morality does not deny this misfortune," Mr. Buscaroli, 63, wrote.

He said a resolution passed in February by the European Parliament that homosexuals should be allowed to marry and adopt children was "blasphemous and shameful."

Mr. Buscaroli's remark about concentration camps embarrassed Mr. Berlusconi and the National Alliance leader, Gianfranco Fini, at a time when the new government is eager to ally foreign concern about the presence in the cabinet of neofascist ministers.

"My remark, over-hasty if you want, or inopportune, or stupid if you prefer, unleashed a terror in waiting," Mr. Buscaroli wrote in the letter, which was published on the newspaper's front page.

"Nobody treated it with a laugh or stopped to think that given that I don't have the means to realize such a pernicious thought, mine was an 'impossible crime,'" he wrote.

He said he could not recall whether he had said homosexuals "lead the life of a concentration camp," or that "I'd send them to live in concentration camps" for treatment like drug addicts.

King Fahd Leaves Hospital

The Associated Press
JIDDA — King Fahd has been discharged from the hospital after doctors removed a gallstone, the royal court announced Wednesday.



President Bill Clinton and his wife, Hillary, laying flowers at a monument to soldiers of the U.S. Army's First Division in Washington on Wednesday. The couple later left on their European trip.

ITALY: Roman Challenge Awaits Clinton on Arrival

Continued from Page 1

L'Unità, Mr. Berlusconi wants Mr. Clinton to provide "political support to reinvigorate the weak international image of the Italian government."

The encounters with the new government are not the only challenge. Mr. Clinton is to meet Pope John Paul II for an audience expected to evoke both the sharp differences on abortion that surfaced during the Pope's visit to Denver last August and on the controversial agenda for a United Nations population conference set for September in Cairo.

The Pope has weighed against proposals in advance conference documents for abortion rights and global access to contraceptives — notions that are anathema to Roman Catholic doctrine.

The Vatican, moreover, reportedly holds the United States responsible for the abortion proposals and the Pope personally called

Mr. Clinton by telephone last April to register his opposition.

After his visit to the Vatican, Mr. Clinton, emulating the late John F. Kennedy during a 1963 visit here, is to address Romans from the steps of the 16th century Campidoglio — the Capitol modeled by Michelangelo in the heart of the city.

Many Italians are hoping he will use the occasion to set out his views on their country's standing and prospects after more than two years of debilitating corruption scandal.

It is one of the odder aspects of Mr. Clinton's European tour that, in Rome, he will meet representatives of the first European government since the World War II to embrace the political descendants of the wartime adversaries whose defeat is to be celebrated.

Not everybody likes the idea.

"They are coming to celebrate the defeat of Italy, not the defeat of fascism," said Teodoro Buontempo, a hard-line neofascist mem-

ber of the Italian Social Movement, which has always couched its anti-Americanism to its avowals of democracy.

The neofascist newspaper *Secolo* struck a similar note when it depicted the American and allied invaders of Rome as occupiers.

The newcomers did not even respect its status as an open city as the Germans had done" and instead, the newspaper said, the Allies turned Rome into a "theme park with drunken, brawling soldiers, shoe-shine boys, jolly, easy-going hookers and petty thieves."

In perhaps the clearest indication of its concern, the White House has quadrupled the size of its foreign policy press office, transforming what last October was a one-man shop into as large an operation as any White House in modern history.

But even in advance of his European trip, Mr. Clinton and his senior aides have also multiplied public appearances devoted to foreign policy, using television interviews, speeches and newspaper ar-

icles in an effort to overcome the impression that the administration has followed a wavering course.

Those steps reflect what Mr. Clinton said over the weekend is his belief that he can win back public confidence by "doing a better job of communicating our foreign policy."

Mr. Clinton's trip to Europe may help bolster his standing in the polls.

Mr. Clinton is scheduled to return to Europe again next month, and one of his senior political advisers, Paul Begala, expressed confidence that "once we shine a spotlight on the president's successes this summer, we'll turn this thing around."

In a television interview this weekend, Senator Sam Nunn, Democrat of Georgia, scolded Mr. Clinton for failing to delegate a single subordination as the administration's top foreign policy spokesman. Another Democratic senator, Bill Bradley of New Jersey, summarized Mr. Clinton's problems as rooted in "communication in a very real sense."

And Mr. Clinton himself, who said that he had sought advice from perhaps 100 formal and informal advisers in recent weeks, told the Los Angeles Times in an interview that he could understand why some of them might have drawn the conclusion that he planned to make changes in his foreign policy team.

But Mr. Clinton also said in the interview that "the last thing I need to do is considering changing my team" at a time when U.S. foreign policy initiatives in the Middle East and elsewhere are at delicate stages.

'Cleansing' by Serbs Continues, UN Says

Reuters
ZAGREB, Croatia — The United Nations on Wednesday accused Bosnian Serbs of continuing a campaign of "ethnic cleansing" against Muslims and Croats in northern Bosnia as about 500 Bosnian refugees arrived in Croatia.

"This indicates continued pressure of Muslims and Croats from the Serbs and a lack of any human rights, making the area uninhabitable for those people," said Peter Kessler, a spokesman for the UN High Commissioner for Refugees. "These people are fleeing for their lives."

The refugees' comments fit in with reports from UN workers in the Banja Luka region, who have confirmed that minorities have been the target of a systematic campaign of violence to force them out of the area.

Serbian authorities have required Muslims and Croats to perform forced labor and to turn over all their property upon fleeing, according to the UN High Commissioner for Refugees.

Thousands of refugees have fled to Croatia to escape Serbian "ethnic cleansing" campaigns over the past two years.

"Almost every two weeks there is an exodus of this size, and this is the third or fourth in the last six weeks," Mr. Kessler said.

Meanwhile, a UN commission on war crimes in former Yugoslavia, in a case study of "ethnic cleansing" by Bosnian Serbs of the Prijedor district, said the actions undoubtedly involved he crimes against humanity and probably genocides.

The study includes details of the alleged killing or deportation of more than 50,000 people and the imprisonment of over 6,000 in camps, where killings, torture, rape and other atrocities occurred.

The Prijedor study comprises the most detailed investigation contained in the commission's lengthy final report before its files and database were transferred to the prosecutor's office of the UN war crimes tribunal, set up at The Hague late last year.

The tribunal, to try persons accused of murder, torture, rape, "ethnic cleansing" and other violations of humanitarian law, may hear its first case later this year, but no indictments have yet been handed down.

CLINTON: Seeking a New Image

SCHOOL: Navajos Meet Preppies

Continued from Page 1

answers to problems such as Somalia and Bosnia on either side of the Atlantic. But even a generally sympathetic commentary, such as the one Wednesday on the United Nations in The Independent newspaper in London, spoke of a "befuddled" administration and said that "Washington has been its own worst enemy" in its dizzying inconsistency on such issues as Haiti.

■ Public Relations Drive

Douglas Jehl of The New York Times reported from Washington:

The White House has embarked on a major public relations effort to reverse perceptions that President Clinton has flunked his handling of foreign policy.

With senior advisers warning that phasing ratings on foreign policy are undermining his political standing in a significant way, some outside the White House have suggested that he respond by shaking up his foreign policy team, a step he said has rejected.

But with most opinion polls showing a large drop in approval of his foreign policy stewardship, the White House is taking other steps to reverse the trend.

In perhaps the clearest indication of its concern, the White House has quadrupled the size of its foreign policy press office, transforming what last October was a one-man shop into as large an operation as any White House in modern history.

But Mr. Clinton also said in the interview that "the last thing I need to do is considering changing my team" at a time when U.S. foreign policy initiatives in the Middle East and elsewhere are at delicate stages.

Continued from Page 1

the Navajo nation, which employs 5,000 people. Many children of the tribal leaders attend Window Rock High. About 25 percent of the 146 seniors enter college, and 10 percent of those graduate. The farthest from the reservation that a Navajo senior is going next fall is to a Colorado college.

The Navajos were struck by what a safe place Choate was. It took Shelton Laughing awhile to get used to leaving his backpack outside the dining hall before lunch.

"I carry it everywhere at Window Rock or it'd be stolen," he said. In the last few years, there have been gang problems.

The exchange program was created by two Choate teachers, John Faulkner and John Cobb. Both taught on reservations, respect the Navajo culture and know the deep suspicion that Navajos have toward boarding schools. For a century, boarding schools did their best to undermine Navajo culture.

The Choate teachers were determined to create a program that would not be chauvinistic. "The last thing we wanted was to create Navajo preppies," said Mr. Cobb. As part of the exchange, nine Choate students attended Window Rock High for six weeks.

After returning to the reservation in May, what stuck the Navajo students most was the sense that despite all the advantages Choate students have, they were not beyond reach.

The Navajo athletes discovered it first. Thelma, a guard on Window Rock's state championship girls' basketball team, was surprised to find she was good enough

to shoot around with the boys at the Choate gym.

LeAndrea Thomas, who grew up running at an elevation of 6,800 feet, clocked her best mile ever at a Choate meet. She will never forget her first practice with the Choate team, when it dawned on her that there was no one faster.

Eugene Anderson was able to keep up in Choate's college-level English course, and while Shelton and Thelma were struck by how much tougher Choate's calculus courses were, they were not lost.

Shelton was struck by how much he missed the open spaces and the sky. Navajo say life thrives where the sky meets the earth, and Shelton has grown accustomed to it.

Or Andrea felt she had lost her sense of direction at Choate. She is used to waking up as the sun rises, or through her front door, a tradition at home alignment in Navajo culture. At Choate, trees and hills blocked the early sun.

But if they could go back to ninth grade and were given the opportunity to choose between Window Rock and Choate, everyone of the nine Navajos said they would have picked Choate. "The reasons are obvious," said Thelma Woodie.

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ERICSSON

New ATM broadband system presented in USA

Ericsson chose the Supercomm '94 exhibition for the US introduction of its new switching system to support broadband and multimedia telecommunications services.

The new system is based on asynchronous transfer mode (ATM) technology, and can be used for transport, switching and management applications in multi-service networks.

The emphasis is on rapid deployment

Cutting service 'time-to-market'

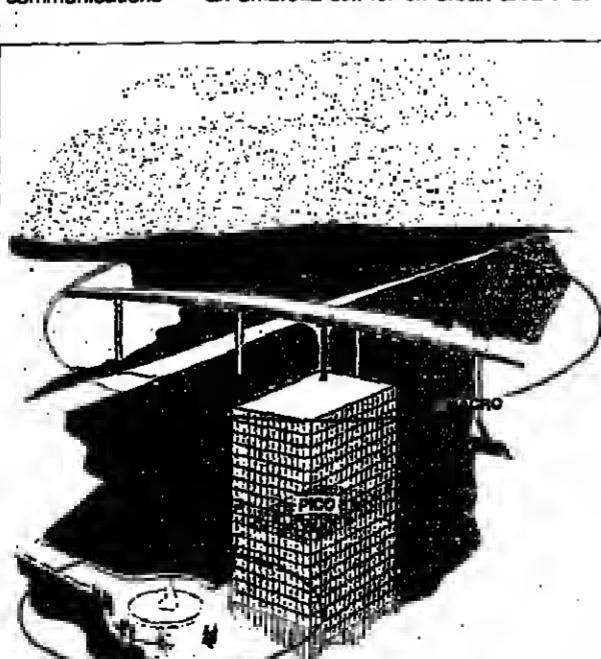
Rather than adapt an existing system, Ericsson chose to develop a completely new switching platform to meet long-term broadband service needs.

A patented ATM Pipe Switch architecture allows the system to be configured for a variety of different applications.

The emphasis is on rapid deployment

and customisation of services throughout the network, so new and enhanced services can be brought to market quickly and easily customised in line with changing market needs.

In Europe, Ericsson has announced that the new system is being used in ATM field trials with Deutsche Bundespost in Germany, SIP in Italy, Telia in Sweden and Telefónica in Spain.



MINI-LINK Microwave Radios offer fast and flexible transmission solutions for cellular and other important networks. The latest version of the radio, now in operation in 74 countries worldwide, is MINI-LINK 15C.

Small and lightweight, it facilitates site-selection, installation and commissioning.

Collaboration for multimedia business connectivity

In a move to extend the scope of multimedia computing in corporate organisations, Ericsson has formed a strategic alliance with National Semiconductor.

The companies will work on business communication solutions based on isoNET™, an emerging networking standard for multimedia applications such as PC videoconferencing.

isoNET™ is an extension of Ethernet and uses existing Ethernet wiring. Where Ethernet supports data communications, isoNET™ additionally supports real-time communications, such as interactive voice and video over both local and wide area networks.

Rise in order bookings for ten consecutive quarters

Ericsson's net sales rose by 24 percent to SEK 15,983 million in the first quarter of 1994, compared to the corresponding period of last year.

Pre-tax income nearly doubled to SEK 813m, and order bookings were up by 23 percent to SEK 21,499m. This is mainly attributable to very strong expansion in the Radio Communications business area.

Commenting on the first quarter results, Ericsson CEO Lars Ramqvist said, "This is the tenth consecutive quarter in which order bookings have risen. The year has begun well, and I foresee a continued favourable development of operations for the remainder of 1994."

Europe accounts for half of Ericsson's sales. The largest single market is the US (12 percent), followed by Sweden and Italy. China now ranks fourth, accounting for eight percent of sales.

With new digital radio transmission technologies allowing techniques such as frequency hopping and adaptive channel allocation, this layered cell structure will provide the required capacity and flexibility for personal telephony.

The first systems using this cell structure are expected to come on stream in 1995 in Europe and the USA.

With a combination of the various cell types, the network can be tailored according to demographic factors and traffic needs.

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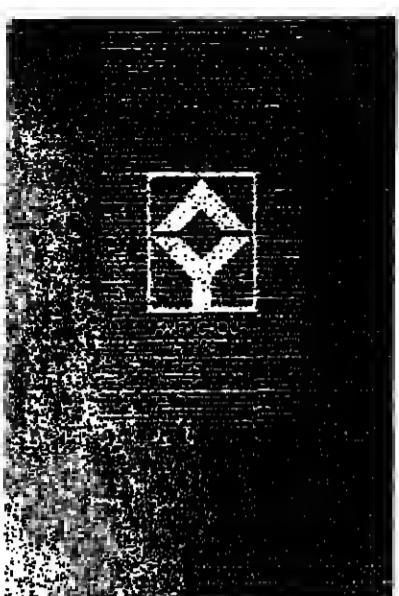
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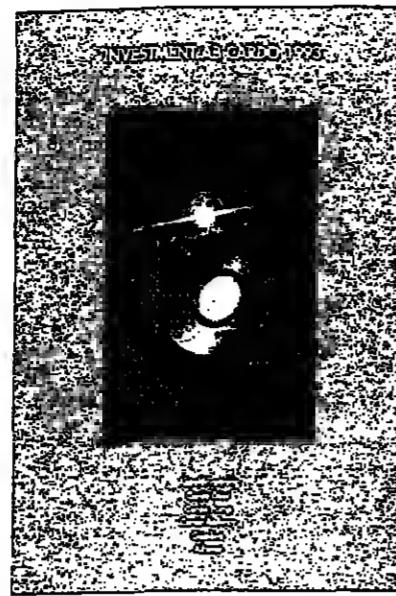
With new digital radio transmission technologies allowing techniques such as frequency hopping and adaptive channel

Scandinavian Annual Reports


AMER GROUP

Amer Group specializes in international branded consumer goods. In 1993 approximately 70% of the Group's net sales of FIM 7 billion derived from international sales, with the largest markets of the United States and Finland accounting 38% and 12% of Group net sales respectively. The largest division is the Sporting Goods Division. Wilson Sporting Goods Co. is a leading producer of golf, tennis and team sport equipment worldwide. MacGregor Golf Company manufactures and markets golf equipment and clothing worldwide. Other activities are automobile trade, tobacco industry, and publishing and printing. The Amer shares are listed on the Helsinki and London Stock Exchange. The Group also has an ADR listing in the United States.

1


CARDO

Cardo is an investment and industrial holding company that conducts internationally focused industrial operations with strong market positions in the fields of industrial doors, pumps, railcars, brake systems and medical technology. A large share portfolio enhances the Group's financial strength. Turnover has increased from SEK 1.5 billion to 18.7 billion since the first year of operation in 1988.

80 percent of sales are made outside Sweden and of the 16,300 employees, 22 percent work abroad. Cardo's biggest markets are the USA, France, Germany and Italy. Together, they account for 64 percent of sales. Cardo have a presence in 30 countries via more than 190 operating companies.

2


DEN NORSKE BANK

Den Norske Bank AS is Norway's largest commercial bank, with roots going back to the middle of the previous century. In 1993, the bank had total assets of NOK 161 billion and presented accounts showing a solid profit.

The bank has a broad range of financial products and services, and a well-established domestic distribution system comprising 182 branches, 24 ATMs and an extensive international network including 11 banking centers and 12 representative offices. Combined with the bank's strong position within the Norwegian business scene, this provides a unique opportunity to serve the banking needs of foreign as well as Norwegian interests.

3


DET NORSKE VERITAS

An independent foundation established in 1864 to safeguard life, property and the environment. Det Norske Veritas offers safety, quality and risk-management services to international shipping and industry.

DNV Classification is one of the world's leading maritime classification societies. DNV Industry provide safety, quality and environmental services to the international offshore and process industries, with major markets in Europe, the United States and the Far East.

DNV is also active in the aerospace and aviation industries. It has extensive engineering research facilities, with laboratories in Norway, the Netherlands, Singapore and the USA.

4


EUROC

The Swedish-based Euroc Group manufactures mineral-based building materials and distributes construction materials in several European countries and in North America. Lebara, Polarcrop and Euroc Materials (Leirius) in 1993 reached FIM 1.2 billion, of which 70% were Euroc Products. The products are marketed in FIM 500 million markets. Sales were taken to cover the majority European operations and significant parts of the Americas. The acquisition of the British Plastics Federation and its distribution in Britain and other international markets has strengthened Euroc's position in the market. The company had a net profit of 10.5% of turnover, which was 2% higher than in 1992.

Euroc has total revenues of FIM 1.7 billion in 1993, of which Silja Line accounted for two thirds. The earnings trend, which was negative in 1992, reversed in 1993.

5

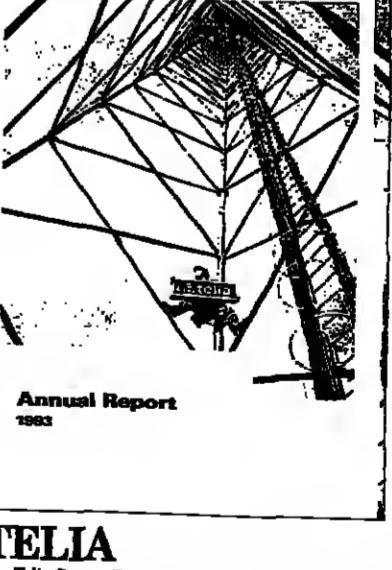

EFFJOHN GROUP

The Effjohn Group's core business is passenger ferry operations in the Baltic Sea, carried through the wholly-owned subsidiary Silja Line, the leading passenger shipping company in the Baltic. The Group's other activities include the wholly-owned subsidiary Silja Line's traffic in the English Channel and the wholly-owned subsidiary Baltic Ferries' car and passenger services in the Baltic.

Effjohn's fleet of about twenty cruise and passenger ferries — containing more than 2,000 berths and carrying approximately seven million passengers annually — Effjohn is one of the world's leading passenger shipping groups. Effjohn is listed on the Helsinki Stock Exchange.

Effjohn had total revenues of FIM 1.7 billion in 1993, of which Silja Line accounted for two thirds. The earnings trend, which was negative in 1992, reversed in 1993.

6


EUROC

The Swedish-based Euroc Group manufactures mineral-based building materials and distributes construction materials in several European countries and in North America. Leirius, Polarcrop and

Euroc Materials (Leirius) in 1993 reached FIM 1.2 billion, of which 70% were Euroc Products. The products are marketed in FIM 500 million markets. Sales were taken to cover the majority European operations and significant parts of the Americas. The acquisition of the British Plastics Federation and its distribution in Britain and other international markets has strengthened Euroc's position in the market. The company had a net profit of 10.5% of turnover, which was 2% higher than in 1992.

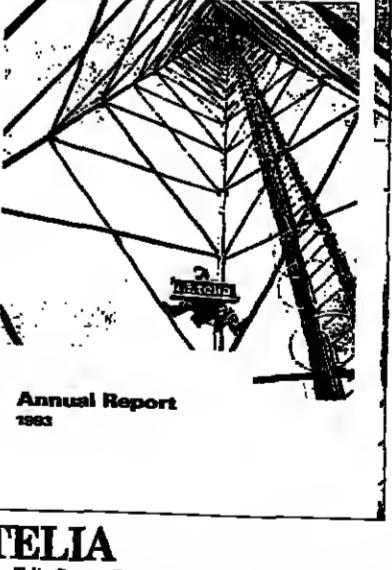
7


HUHTAMAKI

Huhtamaki Oyj is Finland's largest manufacturer of paperboard containers and packaging. Leirius, Polarcrop and

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8

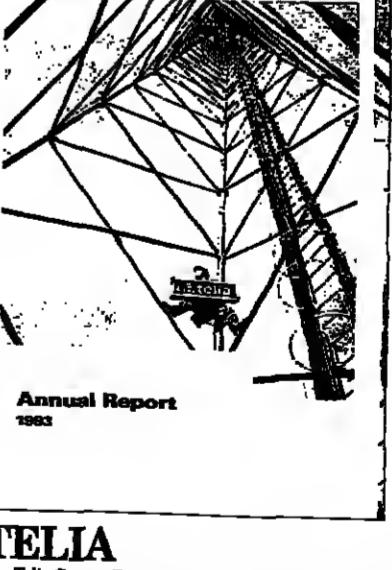

METSÄ-SERLA

Metsä-Serla is one of Europe's leading forest products companies with consolidated net sales of FIM 6 billion. The company employs 8,500 people at some 40 mills in Finland and elsewhere in Europe.

Metsä-Serla Corporation's result after financial items moved well into profit of FIM 200 million, as the policy of focusing on the core business areas confirmed in 1993.

The balance sheet was considerably strengthened during the financial year. The share issue and the conversion of warrants into share significantly increased the equity ratio.

9


MODO

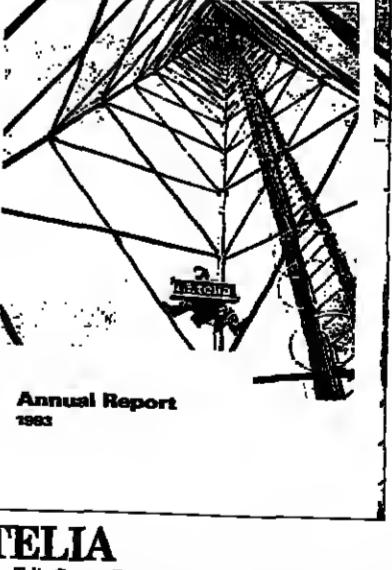
Modo is an international forest products company whose activities comprise the production and sale of the following products: fine paper, wood-containing printing papers, paperboard, pulp, sawn timber, packaging paper, and paper and plastic sacks.

The average number of employees in 1993 was 11,414. In 1993, 85 percent of the Group's total sales of 17,083 million kronor went to countries outside Sweden.

The result after net financial items improved by just over one billion kronor to a loss of 449 million kronor.

Given the current outlook, the profit for 1994 is expected to exceed one billion kronor.

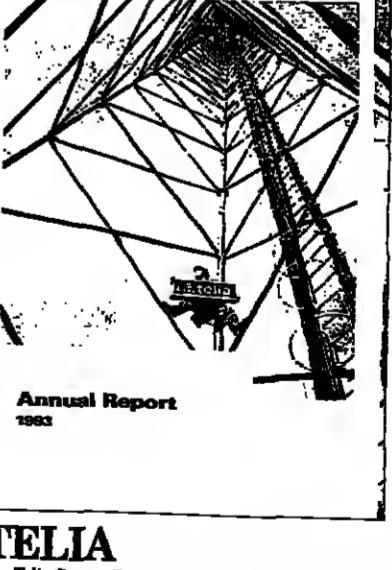
10


NOKIA

Nokia is a Finland-based international telecommunications and electronics group. More than half of its US\$4.1 billion operations are in telecommunications.

Nokia, a world leader in mobile telephone, delivers mobile phones in almost 100 countries. It is a pioneer in digital telecommunications and the world's second-largest supplier of digital GSM mobile phone networks. Nokia is a major European manufacturer of televisions and other consumer electronics as well as a producer of advanced cable technology. Nokia's operating profit in 1993 was US\$253 million.

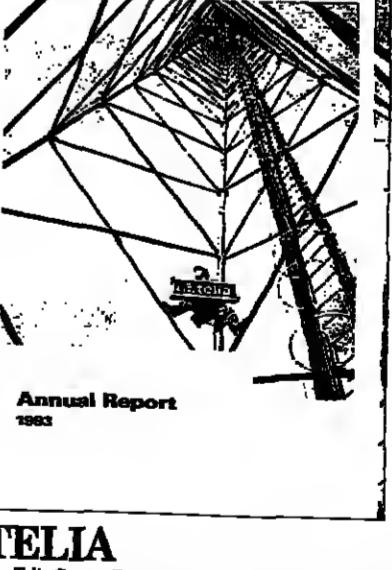
11


NOKSR HYDRO

Norsk Hydro, founded in 1905, is an energy-based company with main products mineral fertilizers, industrial chemicals, oil and gas, aluminum, magnesium and petrochemicals. With annual sales of NOK 82 billion and 32,000 employees worldwide, Norsk Hydro is one of the leading Scandinavian companies. The difficult market conditions continued in 1993, but the operating picture was significantly strengthened compared to 1992, mainly due to reduced costs and increased oil production. The company's shares are traded on the main stock exchanges in Europe and New York.

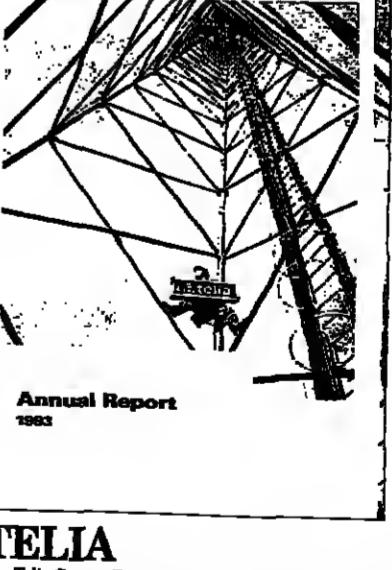
An extensive Environmental Report constitutes this year an integrated part of the Annual Report.

12


REPOLA CORPORATION

Repolia Corporation is Finland's biggest private-sector industrial group with consolidated net sales for 1993 over FIM 25 billion. Repola has 26,000 employees, 10,500 of them outside Finland. Repola Corporation is a diversified, international group consisting of several groups specializing in its own field. United Paper Mills in the forest industry and Rauma in the engineering industry. Repola Glass has a majority interest in the plastic packaging company W. Rosenvic Ltd. Repola has production plants in 20 countries and sales and marketing companies throughout the world. Around 40 percent of net sales is derived from production units outside Finland. Repola's shares are quoted on the Helsinki and London stock exchanges.

13


SCA

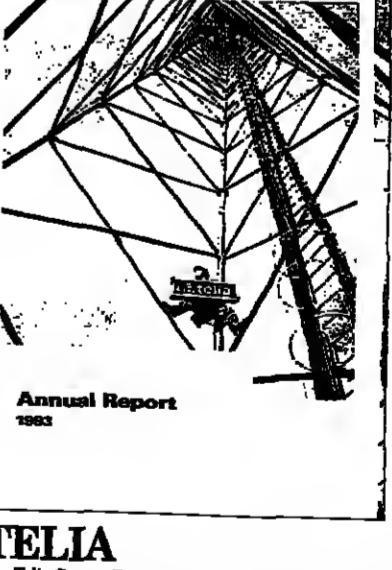
SCA is a strong, consumer-oriented company in the fields of hygiene products and packaging, which account for about 2/3 of consolidated sales. High value-added printing papers and sawn timber are other significant areas. In its production, SCA uses as much recycled fiber as it does virgin fiber from the forest.

SCA employs a work force of approximately 25,000 in some 20 countries, half of whom are employed within the EC. Markets outside Sweden account for about 85 percent of sales. Europe is the primary market.

SCA in brief: Net sales SEK 33,420 M (32,397). Earnings after financial net SEK 1,210 M (461). Earnings per share SEK 5.82 (1.39). Equity/assets ratio 47% (41).

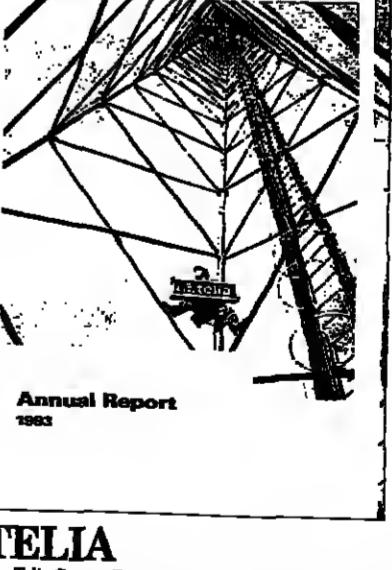
Shareholders' equity incl minority interest SEK 29,879 M (19,091).

14


SKANSKA AB

Despite weak international economic growth and continued difficult market conditions in Sweden during 1993, Skanska reported an improvement in operating earnings. Consolidated operating income rose by 3,701 million Swedish kronor to SEK 1,209 M. This included property-related write-downs of SEK 2,004 M but also gains of SEK 1,511 M from real estate investments. Skanska Group revenues totaled SEK 28,921 M, a decline of 9 percent from 1992. Intensified efforts to promote continued internationalization resulted in the opening of a number of new markets in 1993, while operations outside Sweden rose to 23 percent of Group revenues. Higher share prices on the Stockholm Stock Exchange increased the value of Skanska's stock portfolio to nearly SEK 14 billion at the end of 1993. The Group's financial position became substantially stronger during the year.

15


STORA

STORA is Europe's largest forest products company and one of the world's leading manufacturers of pulp, printing papers, packaging paper, board and fine papers.

The Group has a total pulp and paper manufacturing capacity of 7.3 million metric tons.

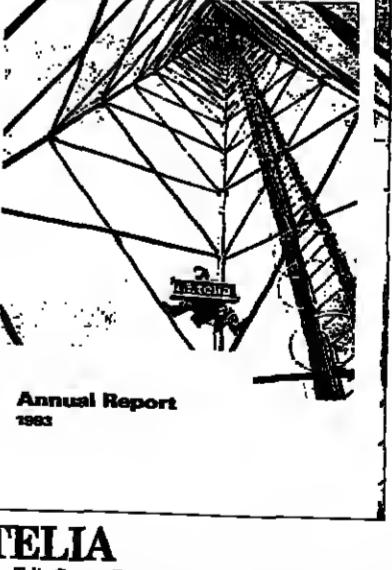
Stora Cellulose, Stora Cellulose Gruve, Stora Gruve and Stora Gruve

STORA's total sales are accounted for by the European market. The Group's raw materials derive from Sweden's natural water and forest resources. Stora's

STORA had invited sales of SEK 50.435 million, up 6 percent from 1992. Income after net financial items improved to SEK 529 million. The Group had an average

number of employees in 1993 of 33,928.

16


TELIA

The Telia Group offers public and private networks for telephony, data communications and mobile telephony. Together with PTT Netherlands and Swiss PTT, Telia is a co-owner of Upstream. In 1993, The Telia Group's revenues totaled US\$4.3 billion. Return on capital employed was 13.5%. Telia invested a total of US\$910 million.

The Telia Group's shareholders are the public and private sectors.

Telia's shares are listed on the Nasdaq and the Stockholm Stock Exchange.

Telia's shares are also listed on the New York Stock Exchange.

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الراصد

Malaysia to Buy 18 Russian MiGs

The Associated Press

KUALA LUMPUR — Defense Minister Najib Razak said Wednesday that Malaysia would sign an agreement next week to buy 18 Russian-made MiG-29 jet fighters.

Mr. Najib declined to state the cost of the plane, spare parts, training and other facilities, but government officials have said it could exceed \$385 million, and part of the payment would be in palm oil and other commodities.

Mr. Najib said the signing ceremony would be held Tuesday in the presence of Deputy Prime Minister Oleg Soskovets of Russia and Deputy Prime Minister Anwar Ibrahim of Malaysia.

With the purchase, Malaysia's would become the first air force in Southeast Asia to fly the MiG-29, which saw active duty in Afghanistan in the 1980s.

Malaysia also agreed last December to buy eight American-made McDonnell Douglas F/A-18 Hornet jet fighters.

Late last month, it took delivery of four U.S.-made Beechcraft R200T maritime patrol aircraft.

Mr. Najib said the ministry would be calling for international tenders for the sale of the remaining 31 American-made McDonnell Douglas A-4 Skyhawk fighter-bombers decommissioned by the air force on Wednesday.

Malaysia bought the Skyhawks in 1980. Since then, nine have crashed and 35 have been mothballed in Tucson, Arizona. A U.S.-based company had submitted a proposal to buy the mothballed planes.

TAPIE: He Thrives in the Polls

Continued from Page 1

bureaucracy or political parties and is disturbed by anyone whose appeal is based on charisma and popularity.

Characteristically, he plays on his role as an outsider and has proven to be a skilled television performer, even seeming to enjoy being attacked by journalists.

"I have a far lower opinion of them than they have of me," he said recently.

Although Mr. Tapie has been frequently compared to the American politician-businessman Ross Perot, the long-haired hefty built 51-year-old prefers the analogy with Silvio Berlusconi, the rightist television magnate and owner of the A.C. Milan soccer team who became Italy's prime minister.

Not that he shares Mr. Berlusconi's political views. Mr. Tapie says he plans to revive the fortunes of the French left, which was swept from power last year by a conservative coalition. But he has upset the Socialists by running on his own ticket, thus drawing away votes.

One conspiracy theory has President François Mitterrand trying to undermine his longtime Socialist rival, Michel Rocard, by encouraging Mr. Tapie's go-it-alone ticket. Mr. Mitterrand has denied this, but he is known to have a soft spot for Mr. Tapie, whom he once named urban affairs minister.

Mr. Tapie's principal strength, though, is that he is a vote-getter. Many working-class French voters identify with his anti-establishment message, and in Marseille, where

support for his soccer team is almost a religion, he is particularly popular, with polls showing him the front-runner to be elected mayoralty next year.

A poll published in Paris on Sunday even said that among French voters under the age of 30, Mr. Tapie was a joint favorite, with Prime Minister Edouard Balladur, to become president next year.

His troubles are nonetheless growing. His main creditor bank, Crédit Lyonnais, has given him until Thursday to repay \$79 million of his debt. Otherwise, the bank said, it will require him to sell his valuable art and furniture collection and may also seize his Parisian town house.

Tuesday, Mr. Tapie brought his own legal action against the bank, asserting that it broke an earlier agreement to reschedule his debt.

Adding to Mr. Tapie's problems, he has been accused of misleading investigators looking into the operation of his Testut scales-manufacturing company, while a judge has charged him with tax evasion for registering his luxury private yacht, Phocaea, as a merchant vessel. Crédit Lyonnais said Wednesday it had laid claim to the yacht in the latest move in the battle over Tapie's debts.

But to Mr. Tapie, all the investigations into his affairs are simply a plot to prevent him from talking about Europe before the June 12 elections. "Until then," he said last week, "I will talk only about Europe and I will answer only questions dealing with that."

SST: U.S. Revs Up for Superplane

Continued from Page 1

commitment to aeronautics has waned. The agency's director, Dan Goldin, now wants to put more emphasis on helping the U.S. aircraft industry, drawing strong support from Congress. Last year, lawmakers gave the supersonic program \$10 million more than the \$187 million requested by NASA.

Under the new supersonic program, known as the High Speed Civil Transport, NASA will play a central role in organizing the efforts of major U.S. aerospace companies and making the key decisions in the next four years about which technologies will be used.

For the first time, the archivars of the commercial aircraft industry will be partners under NASA's direction: Boeing and McDonnell Douglas for the jet's airframe and General Electric and Pratt & Whitney for the engines.

The program to develop the aircraft, including the engineering of each of millions of parts and the building of thousands of production tools, would require a private-sector investment of \$15 billion, more than double the cost of past jetliner developments.

Even if high sales volume defrays the investment expense, the planes would cost \$180 million to \$300 million each. (A Boeing 747 costs roughly \$150 million.)

Proponents argue that the high price would be offset by the aircraft's ability to make two trips for

every one that a subsonic plane makes. As a result, fares would be no more than 20 percent higher than current tickets, Boeing and McDonnell Douglas engineers say.

"It would make this an airplane for everybody, not just high-paying passengers," said Bruce Bunnin, McDonnell's manager for the program in Long Beach, California.

Keeping costs low will also require that the plane be highly fuel-efficient, meaning its structure must be very lightweight, engines highly economical and aerodynamic drag at a minimum.

Because U.S. law prohibits commercial planes from creating sonic booms over land, the jets would fly supersonically only over the ocean. A failing of the 100-passenger Concorde has been its inefficiency in flying subsonically, an area where the new plane must excel. After Congress forbade supersonic flights over land in the 1970s, the market for Concorde collapsed; fewer than 30 were built.

Unlike the Concorde, the new jet would have flaps and slats that would change the shape of the wing depending on the plane's speed, allowing it to fly nearly as efficiently as today's jetliners.

But even if the plane can do all this, it is not clear that airlines will rush to buy it.

U.S. airlines have collectively lost \$12 billion in four years, and their enthusiasm for costly new planes seems tepid at best.

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U.S. Maps Plan for UN Sanctions Against North Korea

By R. Jeffrey Smith

Washington Post Service
WASHINGTON — Senior U.S. officials have begun detailed planning to seek punitive economic sanctions against North Korea.

In a tele Tuesday night, the International Atomic Energy Agency made a last-ditch appeal for the North Korea to halt its withdrawal of fuel rods from a nuclear reactor, or to follow acceptable procedures for storing the rods under international supervision.

But at the agency's headquarters in Vienna — as well as at the Defense Department, the State Department and the White House here — there was uniform pessimism that North Korea would accept the appeal.

That consensus contrasts with a long-standing disagreement among U.S. officials over whether North Korea has simply been resisting inspection as a negotiating ploy in hope of gaining concessions from the United States.

In light of the new agreement within the administration, officials said, they expected the United States would have to submit a proposal for sanctions to the United Nations Security Council.

Washington has threatened such a response if North Korea ruined any chance to measure the radioactive content of the fuel rods, a move considered critical to determining how much plutonium the country may have accumulated for nuclear weapons. The Central Intelligence Agency has concluded that North

Korea may have a nuclear bomb now, and suspects it is trying to develop more.

The U.S. position has hardened in response to North Korea's acceleration in recent days of unsupervised withdrawal of the nuclear fuel rods.

A group of senior administration officials, including Secretary of State Warren M. Christopher and Defense Secretary William J. Perry, met Tuesday to discuss North Korea's action and prepare for formal diplomatic consultations about sanctions, officials said.

"We're very concerned about the situation," said the White House spokeswoman, Dee Dee Myers.

Although U.S. officials said they did not see any signs of unusual North Korean military activity, President Kim Young Sam of South Korea responded to height-

■ Three-Way Talks Set

South Korea will send a special envoy to New York on Thursday for urgent talks with U.S. and Japanese officials amid reports that the three countries are considering sanctions against North Korea, officials in Seoul said Wednesday, according to news agencies.

South Korea's Yonhap news agency said the three nations would discuss sanctions against Pyongyang outside the UN framework in the event that China, as many expect, used its veto power in the UN Security Council in favor of North Korea.

The South Korean envoy, Kim Sam Heon, is to meet with Robert Gallucci, a U.S. assistant secretary

of state, on Friday in New York before holding trilateral talks with U.S. and Japanese officials, his office said.

The agenda for the consultations in New York will include "future measures and action at the UN Security Council," according to Chang Ko Ho, a Foreign Ministry spokesman.

China offered new indications Wednesday that it opposed sanctions when Tang Jiaxuan, deputy minister of foreign affairs, said on a visit to Japan that the International Atomic Energy Agency should talk with North Korea about its nuclear program and that all sides should act "in a calm and constructive way." China has consistently opposed the sanctions option.

North Korea said Wednesday that it was ready to counter any of North Korea's broad effort to upgrade its conventional forces.

North Korea, which has sold weapons to the Middle East, could also sell the missile to other Third World countries to raise hard currency.

"What is important about it is that the North Koreans are known exporters of everything they get their hands on," an administration official said.

"We hate to see the North Koreans become better at cruise missile testing and deployment because that will increase the chance that this technology will be spread about the world."

Pentagon officials, however, cautioned that the ability of the weapon was limited. Intelligence reports indicated that the cruise missile missed its target, a barge. Even if the weapon were perfected, its utility would be limited unless the North Koreans were able to develop a means of tracking ships far off their coast.

A Pentagon official said the North Koreans are believed to have been working on the weapon for about 18 months.

North Korea Test-Fires Anti-Ship Cruise Missile

By Michael R. Gordon

New York Times Service

WASHINGTON — In an effort to strengthen its military capability, North Korea on Tuesday tested a new cruise missile designed to sink ships, Pentagon officials said.

The test took place in the Sea of Japan and against the backdrop of rising tensions, as North Korea continued to remove fuel rods from its nuclear reactor at Yongbyon despite warnings by the United Nations.

"Since the test-firing was conducted in

the open sea with proper warnings, I see a clear political motive with these things going on in New York," said Makoto Momoi, former head of the Japanese Defense Ministry's Defense Research Institute, Reuters reported from Tokyo.

Mr. Momoi was referring to deliberations on the Korean nuclear issue by the United Nations Security Council.

American officials said the cruise missile was designed to hit ships at a range of more than 100 miles (160 kilometers) and was part

of North Korea's broad effort to upgrade its conventional forces.

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Italy	Lire	500,000	47	275,000
Luxembourg	L. Fr.	14,000	36	7,700
Netherlands	Fl.	770	46	420
Norway	N.Kr.	3,500	36	1,900
Portugal	Esc.	47,000	35	26,000
Spain	Ptas.	48,000	34	26,500
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Sweden (airmail)	S.Kr.	3,100	34	1,700
— hand delivery	S.Kr.	3,500	26	1,900
Switzerland	S.Fr.	610	44	335
Rest of Europe ex CEI	£	485	—	265
CEI, N. Africa, former French African, Middle East	\$	630	—	345
Gulf States, Asia, Central and South America	\$	780	—	430
Rest of Africa	\$	900	—	495

Been Firm

Major von Luck's Longest Day

By Rick Atkinson

HAMBURG — The weather was wretched. Fifty years later, as an old man sitting in the snug warmth of his Hamburg living room, he would remember just how nasty it had been on that Monday night so long ago: high winds and low clouds and a briny rain sweeping off the Channel.

It was the evening of June 5, 1944, and Major Hans von Luck was a 32-year-old regimental commander in the 21st Panzer Division, waiting in Normandy for the Allied invasion. He knew he could come at any moment. Having set up his headquarters about 20 kilometers (12 miles) from the coast in a farmhouse in Bellengreville, east of Caen, he positioned the 1,400 men of his 12th Panzer Grenadier Regiment — part of the only tank division in the area — across a 6-kilometer front. The unit formed part of the strategic reserve of Army Group B, commanded by Field Marshal Erwin Rommel.

His instructions were quite clear. Major von Luck and his reconnaissance troops were to become intimately familiar with every road, village and orchard in their sector.

Major von Luck and his reconnaissance troops were ordered to become intimately familiar with every road, village and orchard in their sector.

Pas de Calais, Normandy was also a strong possibility. Field Marshal Rommel had warned his division commanders on May 30, "You shouldn't count on the enemy coming in fine weather and by day."

Major von Luck had spent June 5 circulating among the officers and sergeants of his two battalions. Having taken command of the regiment just a few weeks earlier, he was still gauging the strengths and weaknesses of his men. All in all, he thought, they were splendid troops — battle-hardened, disciplined, ready for a fight to the death.

But as he surveyed the positions of his armored vehicles and listened to reports by his subordinate commanders, he kept harking back to another warning his commander had issued during a recent visit to the regiment. "If we can't throw the enemy into the sea within 24 hours, the field marshal has told them gravely, "then that will be the beginning of the end."

The end began with the sound of airplanes. At midnight on June 5, from the damp shelter of his farmhouse, Major von Luck heard the overhead drone of Allied bombers. At first he assumed the aircraft were headed for yet another pummeling of a German city, but soon the muffled concussion of detonating bombs carried through the night from Caen, not far away, and the coastal fortifications of the Atlantic Wall. Outside could be seen the distant glow of parachute flares sifting to earth through the black rain.

A few minutes later the field telephone rang. The commander of 2d Battalion's 5th Company, a young lieutenant named Brandenburg — was on the line from Troarn, about 12 kilometers to the north, where he was conducting

night maneuvers. "They are dropping on Troarn!" Brandenburg reported, his voice pitched high with excitement. "British soldiers!"

Major von Luck knew from hard experience that the first report in combat is usually wrong. Furthermore, to avoid being lured out of position by a feint, the division had standing orders not to counterattack unless authorized to do so by Supreme Command headquarters in Germany. But as additional reports

1944 NORMANDY 1994

of enemy paratroopers and gliders filtered in, he decided to disobey.

After putting the entire regiment on alert, he ordered the 2d Battalion to reinforce Lieutenant Brandenburg's isolated company.

As the night wore on, confusion and indecision held sway. Additional reports flooded in of British airborne forces and, farther west, American paratroopers. Were they part of a diversion, luring defenders away from the main invasion in Pas de Calais? No one seemed certain.

Major von Luck's men brought several captured soldiers, including a British doctor, to his farmhouse. It was learned from them that the 6th Airborne Division had landed along the Orne River and would be reinforced by an allied armada crossing the Channel in the morning.

In the gray dawn, from a hill above the coast, he saw that the claim was true. Visibility was poor, but he could make out the ghostly shapes of observation balloons over the water and enough ships to suggest a fleet lurking off the coast. He ordered his command post to decamp to a small chateau closer to the coast where he waited for authority to counterattack.

He did not know it at the time, but the armored counterattack that might have repulsed the Allied landing had been delayed because no one was willing to awaken Hitler to secure his permission. The Führer had retained control of several key armored units in Normandy, including the powerful 12th SS and Panzer Lehr divisions. When the request to move them forward arrived at Hitler's Bavarian retreat, his senior commanders considered the matter too insignificant to disturb his sleep.

That reluctance, combined with befuddlement at various German headquarters in France and Germany, immobilized the tanks at a critical moment. For Major von Luck, watching British forces move to within 6 kilometers of Caen, the high command's reluctance to unleash an armored counterpunch left him clutching his fists in angry frustration as hours ticked past.

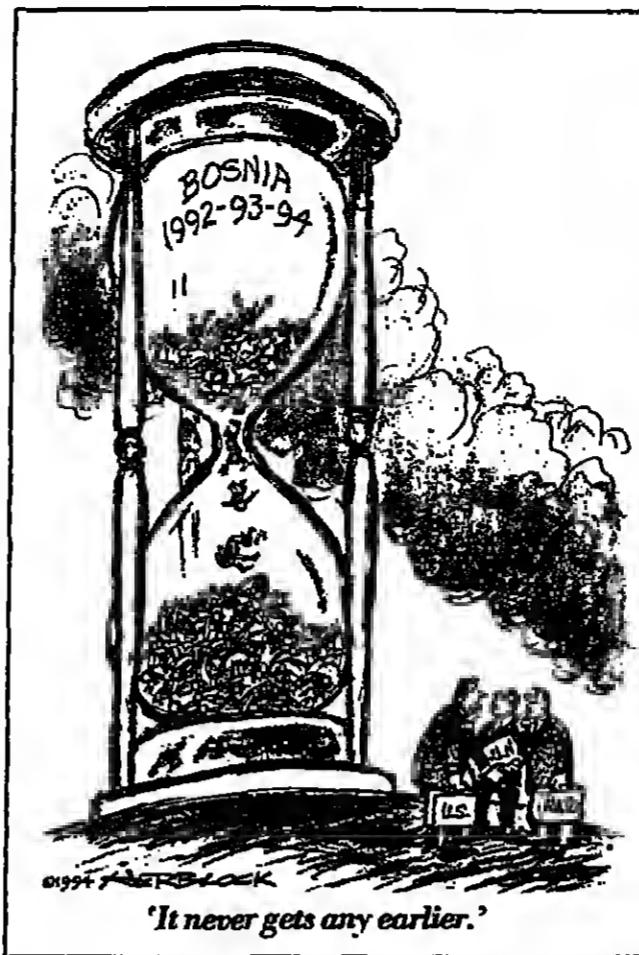
When the counterattack orders finally came at midday on June 6, they were muddled and much too late. For decades Normandy veterans would debate the consequences of the German delay.

Major von Luck, like many of his erstwhile adversaries, nurtures the conviction that had the 21st Panzer forcefully counterattacked in the predawn hours of June 6 before the Allies consolidated their foothold, the scattered British forces would have been badly mauled and would have faced a much-tougher fight in clinging to their bridgehead.

As it was, Major von Luck finally was cleared to press forward with his reconnaissance battalion and a panzer company late on the afternoon of June 6.

INTERNATIONAL HERALD TRIBUNE, THURSDAY, JUNE 2, 1994

OPINION



'It never gets any earlier.'

noon of June 6. Their mission was to reach two key bridges over the Orne River, which had been seized by British paratroopers.

Almost immediately, however, the attack was hammered by naval gunfire, artillery and scores of British Spitfires, which circled the sky unchallenged by the Luftwaffe.

Between shell bursts, Major von Luck zigzagged ahead, seeking cover behind fallen trees or in ragged craters. The battalion had stopped dead. Everywhere he looked men were scrambling for shelter from the relentless shelling. Efforts to raise his subordinates on the radio were futile. Wounded men hobbled toward the rear or lay writhing in pain.

Daring forward in a crouch, he found his battalion commander. "Break off the attack at once," he ordered, "and take up defensive positions on the southern edge of Escoville." The men were to dig in as quickly as possible. Efforts to reach the Orne bridges would be abandoned; now the regiment would simply try to avoid being annihilated while preventing British infantrymen from seizing more ground.

Springing back to his command post, he radioed 21st Division headquarters and reported that his attack had faltered. Part of the division's armored force, he learned, had penetrated close to the coast between British and Canadian troops before being forced back. In the 12 hours since coming ashore, the enemy had grown too strong.

Dusk soon rolled over the battlefield, periodically brightened with shell flashes and parachute flares. Allied ships seemed to be methodically training their big guns across the landscape, grid square by grid square. The Norman countryside, so bucolic only a day before, now was strewn with

splintered trees, dead cows, shattered men. Major von Luck had his men dig deep foxholes next to their vehicles, where they burrowed for the night.

By midnight on June 6, 24 hours after the first paratrooper landings, 155,000 Allied troops were ashore. Within three days, 20 percent of Major von Luck's regiment would be killed, wounded or captured.

He always seemed to have plenty of money, and he went on furlough whenever he could. Denmark was his favorite destination, and during our year together he made several trips there. In those days most of the new American cars to reach Europe were Buicks and they all seemed to go to Denmark. John Taylor had a brand new Buick Roadmaster and was always accompanied by one or more gorgous fräuleins, now that the nonfraternization rule was over.

One day after demolition class, he came into the office and in his very pronounced Brooklyn accent said, "Hey lieutenant, how'd you like a brand new Buick?"

I explained that I couldn't even afford a used Volkswagen on my now first lieutenant's pay.

"It's your day," he told a British friend, "a day for the Allies."

Come this June 6, however, he will be there, one last hurrah, a stroll across the killing ground with friend and foe.

He recollects his combat experiences with a certain romantic nostalgia. Like all wars, his was a pageant of cunning and miscalculation, of terror and exhilaration, of courage and regret. In the end, however, he says, "I think it was useless, the whole war."

The Washington Post

No Signs of Fading Away

HAMBURG — Hans von Luck's war ended on April 27, 1945.

Had the war gone on, he would have been promoted to colonel. "Forget all about the Nazis. From now on, all we are fighting for is survival, for our families and our homes."

Shifted eastward in a hopeless last-ditch effort to keep the Red Army out of Berlin, he was 60 miles (100 kilometers) south of the capital, out of fuel and out of ammunition, when Russian troops took him prisoner. In late October, after an endless journey east in a locked boxer, he arrived at Camp 518, a prisoner-of-war compound in the Caucasus Mountains of Georgia.

For nearly five years he would remain incarcerated, working in a coal pit and then on a road gang, watching as half his fellow prisoners died of typhoid, malnutrition or, he said, hopelessness. "The problem," he would recall, "was food. We were always hungry. For five years: hungry, hungry."

Those who survived worked 10 hours a day hacking at a coal seam with picks and shovels. After two years he was allowed to send a postcard to his mother in Pilsenburg — maximum 25 words, including the address — telling her she was alive.

Mr. von Luck earned extra money by knitting socks with insulation yarn salvaged from pilfered electrical cables. Eventually the Russians provided musical instruments and let the prisoners form an orchestra; with an arranger scratching down the notes on a sheet of paper, Mr. von Luck hummed the tune to a song he had heard in Paris in 1940, Glenn Miller's "In the Mood," which became the camp theme song.

Released shortly before Christmas in 1949, the warrior returned home to begin his second life. After a stint as a night receptionist in a Hamburg hotel, Mr. von Luck was offered a position as a coffee trader for an export-import firm. He lived in Africa for nearly four years, first in Angola, then in Zaire. He married, fathered two sons, divorced, married again and fathered a third son.

In 1983, at age 78, Mr. von Luck retired. Today, he has the proud carriage of an aging bird of prey. Nearing his 83rd birthday, he is good-humored, gracious, mentally acute and slightly deaf. He has had a full century to parse the war, to remember what he needed to remember, to forget what he needed to forget.

A raconteur of the first order, he is much in demand by a new generation of soldiers eager to experience vicariously what he endured. He lectures regularly to various military staff colleges and veterans groups, the Swedes, the British, the Germans, the Americans. Hans von Luck is one old soldier who shows no signs of fading away.

— By Rick Atkinson, *The Washington Post*.

Just Suppose That the Landings Had Failed . . .

By Edwin M. Yoder Jr.

ers, with their vivid memories of Gallipoli in World War I, fretted about Overlord right up to D-Day — and beyond.

Any assessment of the magnitude of the events we now commemorate must begin with the audacity of the frontal assault on Hitler's Atlantic Wall. That it worked at all was a testimony to luck, planning, tenacity, valor, and perhaps the favor of heavenly powers.

The weather, for instance, It was rough on June 6, but far less so than it was two weeks later — the next time the tides and moon would have been right — when the heaviest winds in 40 years churned the Channel. And if the Germans had had their forces concentrated? A curse persuaded them that the invasion would come across the Pas de Calais rather than in Normandy. This deception pinned some of the best German divisions north of the Seine. It was lucky, too, that the formidable Erwin Rommel had been denied the additional Panzer divisions he sought, and the discretion to position

them, as he wished, in Normandy. And if Overlord had failed?

Europe would have groaned for a time longer under Nazi rule, no one can say how long. The forces in Germany who rose against Hitler a month and a half later might have overthrown him in time. Or Germany might have depleted its strength in another assault on Russia. Or Stalin might have made another separate peace with Hitler at the expense of Eastern Europe, as in 1938. Many scenarios are imaginable, most of them bleak indeed.

Alistair Horne, the historian of the French Army, in his engaging book, "Monty," offers this detailed and certainly bleak speculation:

"Hitler would have been developing his deadly jet aircraft... With certainty, Britain would have been hammered mercilessly by Hitler's V-weapons... In the U.S., could the restless Americans have resisted the pressures of Admiral King and the 'Pacific Lobby' to transfer their main effort to defeating the hated Japanese enemy? ... Since the glassiest opening of the Soviet archives in 1990, we are

now aware . . . of at least two [previously unknown] overtures for a separate peace from Stalin, giant with feet of clay, to Hitler in the terrible autumn of 1941."

"At best [defeat in Normandy] would have meant another bloody year of war, ruinous for Britain, the extinction of the last surviving remnants of European Jewry . . . culminating almost certainly with the employment of the first atomic bombs in the summer of 1945 on Germany, not Japan. Sweeping through 'naked' Germany, the victorious Red Army would have stopped nowhere short of the Rhine. Lost to communism, Europe, and the world, would have been a very different place today. This was what was involved on 6 June 1944."

Who, pondering the alternatives that Mr. Horne imagines, can doubt that the 50th anniversary observances of D-Day and Overlord merit all the attention we have lavished on them? It was the hinge of fate, to use a vivid term Winston Churchill applied in another connection, and Western civilization is indebted to those whose valor and will made it work.

Washington Post Writers Group

LETTERS TO THE EDITOR

A Good Starting Point

Regarding "When Victims Boast of Their Victimhood, the Better to Victimize" (*Opinion*, May 5) by Flora Lewis:

Ms. Lewis rightly points to the damage to relations between blacks and Jews, which is a serious loss for the country of America.

The National Conference of Christians and Jews, a constituent of the International Council of Churches, recently released the results of a nationwide survey of the attitudes of whites, African-Americans, Latinos and Asian-Americans toward each other. In those results, there seems to be a big contradiction. Each group has racist attitudes and feelings about everyone else; yet they agree that they would like to improve race relations.

Earlier this year, the National Conference of Christians and Jews named a black leader, Sanford Cloud Jr., as president and chief executive officer. He said, "Although the founders of the National Conference would have been proud of today's organization, they also would have been saddened to find a society that is still marred by bigotry and intergroup hostility."

"Part of our current mission is getting people of all races, creeds, and income levels to understand that despising those who are different is not only wrong; it is a waste of energy that could otherwise be devoted to solving the daunting common problems that afflict our communities."

DAVID M. LEBEGE
Cotonou, Benin

A Debt of Gratitude

The veterans of the European Theater of Operations who fought

after D-Day not only feel a sense of profound gratitude to the Normandy veterans, but also, I'm sure, a certain frustration in not being able to pay our respects on-site. We owe them our very existence.

Your newspaper, with its excellent 50th anniversary articles, may already have conveyed the message of the "followers." If so, I apologize for having missed it. If not, for those who enabled us to step ashore without risk, I have tried to capture the essence of our debt: Those who followed also pay tribute to the sacrifices on Normandy beaches — their courage was immeasurable; our gratitude everlasting.

JAMES C. TUTMAN
Geneva

The writer served in the U.S. 65th Infantry Division.

He Had His Medals and a Lot More

By Thomas M. Waitt

phanage stories, which I knew to be true from his army records, the rich uncle didn't like, but we were so busy trying not to blow up

ourselves and our students that I soon forgot it.

His problem now was how to get what was left of the money home.

Until one day, a month later,

when my commanding officer called me into his office and told me that two agents from the Federal Bureau of Investigation were over from the States and wanted to interview me. It was all very

MEANWHILE

hush-hush. The subject of the interview was my assistant, Sergeant Taylor.

I appeared that John's older brother in Brooklyn had opened accounts at several banks in John's name and all the money had come from Germany.

It was a Friday night when he told me and I knew I had to tell the agents on Monday.

I agonized over doing what I knew I had to do for two days but it was all unnecessary.

On Monday morning he was arrested and before they took him away he asked to say goodbye to me. We shook hands and I know I must have looked shook-up and desolate. As he went out the door, handcuffed, he turned and winking.

"Hell, Lieutenant, stop worrying. I can afford to wait."

I never saw him again.

In 1964 I was sitting in an American Airlines 707 on my way to the West Coast to catch a troop transport to Vietnam.

The hostess handed me a copy

of The New York Times and hurried in the middle of the local news was a short item that caught my eye: "Colonel Givens Orphanage \$1 Million."

The one paragraph article went on to say that Mr. John J. Taylor, president and owner of Taylor Van Lines and Taylor & Son Fruits and Vegetables, has donated a million dollars to the St. XXXX Orphanage in Brooklyn. Mr. Taylor, long suspected figure in New York's mafia, was before the grand jury on racketeering charges last year. The jury returned a no-action verdict.

Colonel Waitt, U.S. Army (retired), a free-lance writer living in Paris. He contributed this comment to the International Herald Tribune.

HEALTH / SCIENCE

Miscoding Mixes Memory

Distortions Are Tied to Brain's Storage System

By Daniel Goleman
New York Times Service

NEW YORK — In a scientific nod to the frailty of memory, neurologists and cognitive scientists are coming to a consensus on the mental mechanisms that can foster false memories.

The leading candidate is "source amnesia," the inability to recall the origin of the memory of a given event. Once the source of a memory is forgotten, scientists say, people can confuse an event that was only imagined or suggested with a true one. The result is a memory that though false, carries the feeling of authenticity.

This has been an epic time for false memory. Three new books have been published that investigate the phenomenon and its mirror opposite, repressed memory. In mid-May, a California court awarded \$500,000 to the father of a woman who had accused him of sexual abuse after supposedly recovering memories of childhood incidents during therapy.

The plaintiff, Gary Ramona, had asked for \$8 million in damages against his daughter's therapists and the medical center where they worked.

Earlier in the month new scientific agreement on the most likely neurological and cognitive bases of false memory emerged during a conference on the issue at Harvard Medical School. Part of the fragility of memory is due to the way the mind encodes a memory, distributing aspects of the experience over far-flung parts of the brain, researchers said at the meeting.

The brain stores the memory of each sense in different parts of the neocortex — sound in the auditory cortex, sight in the visual cortex, and so on, reports at the meeting pointed out. Another part of the brain, the limbic system, binds these dispersed parts of the memory together as a single experience.

One of the more frail parts of a memory is its source — the time, place, or way the memory originated. Based on careful observations of neurological patients to see which mental operations are harmed by damage to different parts of the brain, the frontal lobes seem to be the main site for source memory, according to a report at the Harvard meeting by Dr. Morris Moscovitch, a neuropsychologist at the University of Toronto.

Patients with damage to specific zones of the frontal

lobes are prone to confabulate, concocting stories to make sense of the shards of memory they retrieve, and are unable to evaluate the reasonableness of their fabrications. "The confabulator picks out a bit or piece of an actual memory, but confuses its true context, and draws on other bits of experience to construct a story that makes sense of it," said Dr. Daniel Schacter, a Harvard psychologist.

Such a plausible scientific explanation has been missing until now in the debates about false memory. The conclusions of scientists at the meeting call into question the methods not only of many therapists who specialize in helping patients retrieve memories of childhood sexual abuse but also those commonly used by officials investigating such charges.

Scientists say these methods can inadvertently plant a false memory, and are based on naive or distorted assumptions about how memory works.

"The lay expectation is that whatever we remember should be true, but memory does not work like a video camera," said Dr. Marcel Mesulam, head of the neurology department at Beth Israel Hospital at Harvard Medical School. "From the point of view of neurosciences, every memory is a fragile reconstruction of what the nervous system actually witnessed."

For example, one of Dr. Moscovitch's patients with frontal lobe damage said he had been married for just four months, although he had actually been married nearly four decades.

Source amnesia is common, and usually benign, as when one recognizes a face but has no idea where one has seen the person before — the memory for the face is retained, but not the memory for the time and place the face was first seen.

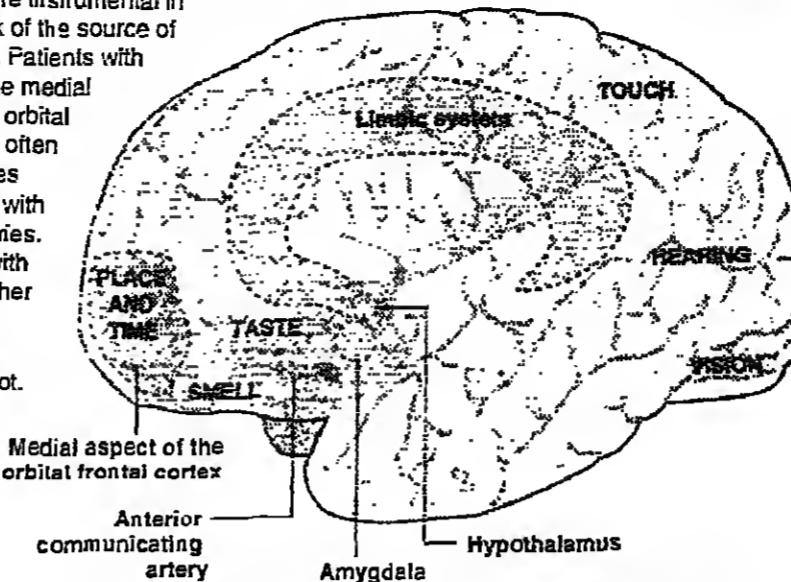
This kind of forgetfulness is a natural result of the constant reshuffling and gradual decay of memories in the brain. The source of the memory may fade even as the rest of the memory can be retrieved, said Dr. Stephen Ceci, a psychologist at Cornell University.

Another reason for confusion in memory, said Dr. Schacter, is that all memories are subject to contamination by leakage from related bits of information. In recalling a memory, for example, people typically make inferences about what may have happened to fill in gaps, and can then confuse the sources, melding what they inferred with the actual memory."

Part of the new scientific evidence for the vulnerability of memory to suggestion comes from studies in

Where Memory Can Be Created and Falsified

The brain stores various parts of a memory in different areas; these memory sites are approximations based in part on recent animal research. By studying people with brain injuries, researchers have determined that when a memory is retrieved, the frontal lobes of the brain are instrumental in keeping track of the source of that memory. Patients with damage to the medial aspect of the orbital frontal cortex often concoct stories they confuse with actual memories. While those with damage in other areas of the frontal lobes typically do not.



Damage to the frontal lobes and nearby areas frequently results from an aneurysm of a major artery of the brain, the anterior communicating artery.

Sources: Dr. Morris Moscovitch; *Atlas of Human Anatomy*; Neter (Ciba-Geigy); *Scientific American*.

Jody Ecker, The New York Times

which false memories are implanted through experimental manipulations. Many of these studies have involved young children, who are particularly susceptible to false memories. At the Harvard meeting, Dr. Ceci reported a series of recent experiments showing the surprising ease with which children can become convinced that something they only imagined or was suggested to them really happened.

In an earlier study involving 48 preschool children reported last year, Dr. Ceci showed that with repeated questioning about events that had never occurred, many children gradually came to believe that the events had happened. The false memories were so elaborate and detailed that psychologists who specialize in interviewing children about abuse were unable

to determine which memories were true, he said.

While an earlier generation of therapists was criticized for minimizing the lasting psychological impact of their patients' childhood traumas, a current crop of therapists is coming under attack for telling patients that their symptoms indicate they must have suffered a childhood trauma, which they have buried.

If the patient cannot come up with such a memory, these therapists help them out with methods that include hypnosis, visualization, and even sodium amytal, the so-called "truth serum," actually a short-acting barbiturate that induces an intoxication during which people talk with fewer inhibitions.

While no one can say how common these practices are, such methods are a sure-fire way to implant false memories," said Dr. Elizabeth Loftus, an expert on memory at the University of Washington.

Early-Reading Program Quietly Fights Illiteracy

By Marilyn W. Thompson
Washington Post Service

NEW YORK — For Kenny Vixama's first-grade teacher, an alarm went off when she noticed that the 6-year-old often invented his own text for the simple storybook his class was reading.

Though a bright child, as he read his eyes did not follow the left-to-right pattern of a successful reader. He had trouble identifying specific words when asked to find them. And he showed confusion with certain patterns of letters — a basic stumbling block in learning to read.

Kenny's difficulties had landed him in the bottom 20 percent in reading achievement among the first-grade students at Public School 41 in Greenwich Village. If Kenny's problems went unnoticed, he seemed headed down a path of reading failure that has become frustratingly hard to address for teachers across the United States.

That was when a reading specialist, Barbara Mandel, intervened. Mandel is a soldier in a quiet revolution that is transforming the way some elementary schools deal with slow readers. The program she teaches, known as Reading Recovery, has, since 1983, when it was

introduced in the United States at Ohio State University, it has spread to 48 states and brought thousands of first-graders up to average or above reading levels.

Developed in the 1970s by New Zealand educator and psychologist Marie Clay, and used extensively in that country, the program's premise is that the best way to avoid reading failure is to prevent it in the first place.

The simple theory has won a cult-like following among an armful of U.S. teachers who have gone through yearlong training to more effectively tutor children in reading.

Ohio State Professor Guy Su Pinnell, who helped establish the university's pilot program and heads a de facto national organization of Reading Recovery teachers, estimates that by the end of the year, 4,000 teachers will have been trained, and will have reached 50,000 to 60,000 students.

Programs are booming in Ohio, California and Texas, and even in small states, legislatures and local school districts are approving significant funding for trial programs, she said.

Reading Recovery has not been universally endorsed, mainly because of its high personnel costs

and selectivity. Though implementation costs vary from district to district, all have to foot the bill for teachers like Mr. Mandel to take a year off for rigorous training. Then, they must dramatically scale back the teacher's regular duties to allow time to work with a small number of children.

Some principals have complained that the program unfairly concentrates limited funds on first-graders, leaving little for programs geared toward vulnerable children in later years. In the District of Columbia, where about 23 teachers have been trained, Deputy Superintendent Maurice Styles said, "We've had to do a lot of convincing" to win over principals despite Reading Recovery's early successes.

"This has been our flagship intervention program," Mr. Styles said. "We have hard empirical data that demonstrates that children who go through the program will do better, that it is a long-term investment in the child's future . . . But for the principal with 'X' dollars to spend, there's a real tendency to put the money into programs that serve the most children."

Reading Recovery assumes that every child can learn to read if confused with the language is detected, and corrected, as soon as it

becomes a problem. Many educators see the program as a first step in a long struggle to break the life chain that has cluttered junior high and high schools across the country with nonreaders.

Studies of Reading Recovery children show that 60 percent who go through the 12-to-20-week intervention never need further reading remediation or special education, according to Angela Jaggar, a New York University professor who is conducting follow-up studies of children who went through the program.

"What the schools have traditionally done is wait until a long time has passed in a child's life to decide they're having difficulty in reading. . . . The longer you wait, the harder it is," said Dr. Jaggar.

In Jackson, Mississippi, Superintendent Ben O. Canada has decided to shoulder the cost that comes with wide-scale implementation of Reading Recovery. In 1991, using federal Chapter I funds for neediest students, the Jackson district began implementing Reading Recovery in eight of its lowest performing schools. Seventeen teachers,

were trained in the technique.

"Being in for many years, I've seen so many fly-by-night programs, fancy packaging for things that didn't work. This has caused a revolution here almost," said Ida J. McCants, Chapter I administrator for the Jackson schools.

Yet even the program's strongest advocates concede that Reading Recovery is only a beginning in the enormous fight against illiteracy.

"We're optimistic," said Dr. Pinnell. "But we know this problem is bigger than we are."

IN BRIEF

An 'Asthma' Gene Is Identified

NEW YORK (AP) — Scientists have identified a gene that may make people susceptible to asthma and trigger severe attacks by producing an allergic overreaction in their immune system.

The association was found in only a minority of families studied, and experts stressed that it could be only one of many genes in asthma.

A key player in asthma is an antibody called immunoglobulin E, or IgE. It alerts its effects by binding to a protein structure called a receptor on cells lining the airways of the nose and chest. The receptor then triggers a series of events leading to the wheezing, coughing, sneezing and runny nose of allergies. The gene identified by researchers tells the body how to

make part of that receptor. Researchers found that people with a particular variant of the gene were unusually likely to have high blood levels of IgE, a sign of a tendency toward allergic overreaction.

Green Tea May Stave Off Cancer

WASHINGTON (AP) — Green tea, the beverage of choice for millions of Asians, may help protect regular drinkers against cancer of the esophagus, a study has concluded.

Building on findings that green tea reduced the incidence of esophageal cancer in rats and mice, the scientists studied the records of 421 victims of the disease and 1,552 healthy people in Shanghai and concluded it worked that way in humans, too.

BOOKS

THE RESURGENCE OF CENTRAL ASIA: Islam or Nationalism?

By Ahmed Rashid. 278 pages. \$25. Zed Books.

Reviewed by Philip Bowring

THERE is so much to write about a region so long ignored that even a dedicated dull writer would have a problem keeping out the diversity and color of this massive but sparsely populated chunk of the earth, mainspring of so much Eurasian history. Ahmed Rashid doesn't have quite the flair displayed by Tiziano Terzani's "Goodnight, Mister Lenin" in covering some of the same geographical territory. This is a less personal and entertaining work, but at least as valuable.

Ahmed Rashid writes concisely.

Bruce Oldfield, the fashion designer, is reading "The Ant Colony" by Francis King.

"His sense of creating atmosphere and characters (most of whom you would not want to meet) is subtle and enjoyable. The Ant Colony, set in Florence after the war, deals with the comings and goings of characters who teach in an English school and their interaction with the local community, from pugilos to gentry," (Burley Janes, IHT).

neighbors — Russia, China, Iran, Turkey and Pakistan — and links and conflicts between nationalism and Islam.

Apart perhaps from an excess of faith in the beneficial impact of Sufism on the region and a rather too obvious antipathy to the Uzbek leader Islam Karimov, Rashid's book is eminently dispassionate and unideological. It has the added merit of being up-to-date (December 1993) without having the appearance of being an instant book. Indeed, it is not. Rashid has been a frequent visitor to the region from his base in Pakistan since the Soviet

empire began to dissolve. That event was directly connected to the failure of its last expansionist move in central Asia — the 1979 invasion of Afghanistan and ignominious pullout a decade later.

Rashid is, however, careful not to blame all the ills of the region on the Soviets. For instance, he notes that the cotton monoculture that has so distorted the Uzbekistan economy dates from the czarist days and the emigration of Russians freed from serfdom. They have also done their best to alarm their Russian minorities.

Rashid has succeeded in achieving a degree of stability. But where next? Independence fell into their laps. The lines between colonized and colonizer are often blurred, notes Rashid. The republics have plentiful mineral resources and — despite the colonial economic structure of the Soviet Union — some industry. But distance is a tyranny and populations grow space, a tribute both to Soviet health programs and pre-industrial social structures. Despite the size of the region, hunger for good land is acute. Poised between east and west, north and south, Asia and Europe, they are also poised to develop industrial society and the tribal chaos that is Afghanistan and the poverty that is Pakistan.

In contrast to his jaundiced view of Karimov the apparatchik, Rashid is full of praise for President Nursultan Nazarbayev of Kazakhstan and his combination of political skill and economic reform. But he acutely

notes that while Nazarbayev and fellow reformer President Askar Akayev of Kyrgyzstan came from elite families with strong clan connections, Karimov and the Turkmenist leader Saparmurat Niyazov, were orphans who had to rely on the old state party bureaucratic machinery to stay on top.

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TO OUR READERS IN VIENNA AND IN SALZBURG

You can receive the IHT hand delivered to your home or office on the day of publication. Just call toll-free: 0606-8155 or fax: 06069-175413

keep up a rapid pace starting with the historical background of the region, looking in turn at its five republics — Uzbekistan, Kazakhstan, Turkmenistan, Kyrgyzstan and Tajikistan — and finally at their common interests and rivalries, their relations with the big

neighboring — Russia, China, Iran, Turkey and Pakistan — and links and conflicts between nationalism and Islam.

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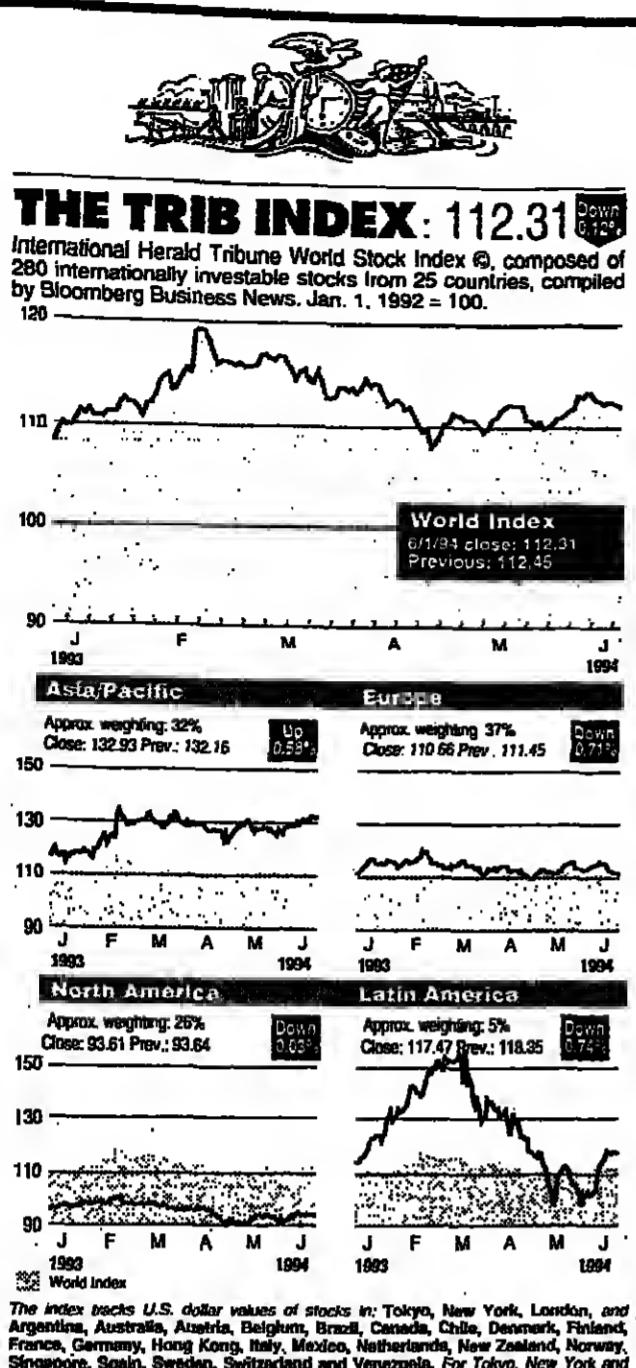
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FINANCIAL

International Herald Tribune, Thursday, June 2, 1994

EBEL
the architects of time

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Compiled by Our Staff From Dispatches									
BRUSSELS — Didier Pineau-Valencienne, the chairman of Schneider SA, the electrical engineering company, must remain in jail pending further inquiries into fraud allegations, a Brussels court ruled Wednesday.									
Mr. Pineau-Valencienne was arrested Friday amid allegations of fraud, forgery, embezzlement and falsifying company accounts. The investigation centers on Schneider's purchase of shares it did not already own in two Belgian subsidiaries, Cofibel and Cofimines, and subsequent management of the companies.									
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For more information about the index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.									
© International Herald Tribune									

Industrial Sectors	Wed. close	Fri. close	% change	Wed. close	Fri. close	% change
Energy	109.62	109.95	+0.30	116.17	116.08	+0.08
Utilities	118.42	117.21	+1.03	126.12	125.75	-0.50
Finance	117.89	118.23	+0.29	97.41	97.05	-0.36
Services	116.24	116.70	+0.39	126.73	126.10	-0.47

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Treasury Rebound Underpins Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar was little changed against most major currencies Wednesday, with a rise on Wall Street helping the U.S. unit trim losses incurred in overseas trading.

The dollar closed in New York at 1.6464 Deutsche marks, up from 1.6458 Tuesday, and at 104.50 yen, down from 104.78. The dollar was

1. won't buy dollars unless markets become disorderly by falling too fast," said Amy Smith, currency market strategist at IDEA, a consulting firm. That emboldened some traders to try to push the dollar lower, she said.

The dollar has traded in narrow ranges against the mark and the yen since May 4, when the Federal Reserve Board and 18 other central banks teamed to buy dollars to stem the currency's three-month slide. Traders have been wary of the central banks ever since.

The dollar pared its losses after the U.S. Treasury bond market rebounded from an early slump, taking the stock market along with it.

Many traders said they were hesitant to buy or sell dollars before Friday, when employment data for May are set for release. The report is considered a key assessment of the economy's strength.

Robust employment gains could induce the Fed to raise interest rates to head off the inflation that often accompanies economic expansion. High rates usually bolster a country's currency by making its short-term investments attractive.

(Bloomberg, Knight-Ridder)

Foreign Exchange

— steady against the French franc at 5.6265, while it slipped to 1.4016 Swiss francs from 1.4027. The pound strengthened to \$1.5165 from \$1.5103.

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(Bloomberg, Knight-Ridder)

MARKETS: Inflation Woes Hit

Continued from Page 11
European investors "wholly misplaced."

He added that "I think the markets are wrong about inflation in Europe because unemployment is close to record highs, real wage

growth is declining, consumer confidence is weak and against that background it will be very difficult for inflation to take off."

Mr. Martin, along with other economists, said the sentiment among bond investors in Europe was beginning to resemble the jittery psychology about inflation and interest rates that has characterized the U.S. Treasury bond market in recent months.

U.S. Markets Rebound

The ability of U.S. Treasury bond prices to climb into higher territory after a steep loss in early trading helped stock prices to small gains, news agencies reported from New York.

The price of the benchmark 20-year Treasury bond rose 14.32 points, to 86 15/32, in late trading, pushing the yield down to 7.36 percent from 7.43 percent Tuesday.

A slump in commodity prices and a reluctance to hold short positions before Friday, when U.S. employment data for May are set for release, helped pull bonds up from a full point early, less.

The turnaround in bonds cheered the stock market, where

investors rely on low interest rates to fuel business expansion. The Dow Jones industrial average closed up 2.46 points, at 3,760.03, erasing a drop of as much as 26 points. Gaining issues outnumbered losers by an 8-to-4 ratio on the New York Stock Exchange.

Among actively traded issues, U.S. Surgical jumped 2% to 21% on speculation that the Swiss pharmaceutical company Ciba-Geigy could bid for the company.

Wal-Mart fell 1% to 22% amid an industrywide slowdown in retail sales in May because of cooler-than-normal weather early in the month.

Time Warner fell 1% to 38% on market disappointment after Seagram said at its annual meeting that it was not interested in making a bid for the U.S. company. Seagram rose 1% to 20%, reflecting higher-than-expected first-quarter earnings.

Computer shares fell after Compaq Computer lowered prices on several of its most popular notebook, desktop and server products by as much as 29 percent in a move aimed at increasing its market share.

Compaq lost 1% to 116%, Apple Computer fell 1% to 28% and Dell dropped 11.16 to 11.16 after the provider of satellite communication services said its auditors resigned last week after a dispute with company executives over the reporting of first-quarter revenue. The disclosure prompted several Wall Street analysts to pull their ratings of the stock.

The commission stunned several European Union governments in

December when it called for 8 billion European Currency Units of new money a year on top of 12 billion ECUs annually of existing finance to build trans-European transportation networks.

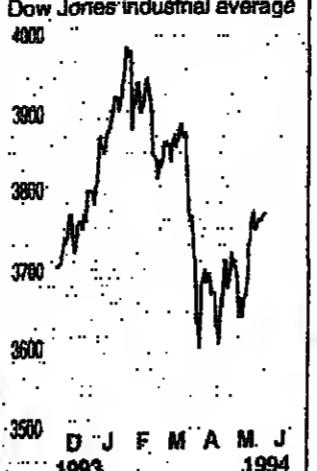
But Paris and Bonn have cast their lot with London in recent months in objecting to fresh money at a time of steep budget cutbacks.

On Wednesday, the commission announced that latest estimates of

Via Associated Press June 1

The Dow

Daily closings of the Dow Jones Industrial average



DOW J F M A M J 1993 1994

BLOOMBERG/KNIGHT RIDDER

Dow Jones Averages

Open High Low Last Chg.

Indus.	Trans.	Util.	Corp.
125.31	114.34	117.52	127.22
127.40	126.50	126.50	126.50

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NYSE

Wednesday's Closing

Tables include the nationwide prices up to

the closing on Wall Street and do not reflect

late trades elsewhere. Via The Associated Press

(Continued)

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EU Says It Made Limited Gains In Tokyo Talks

By Steven Brill

International Herald Tribune

TOKYO — The European Union expressed cautious optimism Wednesday about Japan's pending package of deregulation measures, but it appeared that Brussels had failed in its bid to establish a permanent dialogue with Tokyo on such steps.

Simon Nutall, an EU director in charge of trade relations with Asian countries, said his delegation was "partially satisfied" after two days of talks here that sought to ascertain and comment on the steps that Tokyo plans to announce at the end of June.

"We had a very open discussion," he said, "but we weren't fully informed which areas are likely to be deregulated at an early stage. He pointed out that Japan had yet to take certain decisions on a package of measures conceived primarily with the goals of promoting growth in America and placating the United States.

In March, Brussels presented Tokyo with its priorities for deregulation in Japan, a list of 32 items that run the gamut from restrictions in land use and financial services to standards for residual levels of pharmaceuticals in animal products.

Like the United States, the European Union would like to have a

permanent dialogue with Tokyo on deregulation, a process that will be a major theme of Japanese politics for the rest of this decade.

Unlike Washington, which is not reluctant to threaten trade sanctions if results are not achieved, Brussels has stressed that profit will grow 16 percent this year.

"Our earnings growth hasn't faltered since the bubble era," says Hidenori Nishimura, a spokesman for the company. "And as the recovery comes and the flow of money improves, consumers will feel freer to spend."

In Japan, it appears, the Lilliputians are striking back. While its corporate giants struggle to free their lumbering bureaucracies from Japan's worst postwar recession, armies of little companies like Autobacs are leading the way to recovery.

Aggregate current profit for Japan's biggest companies — those listed on the first section of the Tokyo Stock Exchange — fell 16 percent in the year ended March 31. Companies listed on Japan's over-the-counter market, however, saw current profit, essentially pretax earnings, rise nearly 3 percent.

The contrast is even sharper this year: Big companies are projecting an aggregate 8 percent increase in profits, while small companies expect a 37 percent increase.

In terms of employment as well, small companies are recovering more quickly than their big brothers bound by lifetime employment commitments. Companies with more than 1,000 employees hired 47 percent fewer workers in April than they did a year earlier, while companies with fewer than 30 employees saw only a 5 percent decline.

Being tiny is not a sure ticket to profitability: 98 percent of Japanese companies that went bankrupt in April had capital of less than 50 million yen (\$478,000), according to Tokyo Shoko Research, a private credit-research company.

Big Time for Small Firms Little Companies Lead Japan's Surge

Bloomberg Business News

TOKYO — Japan's big automakers may have crashed after the heady growth of the late 1980s, but the so-called bubble economy never ended for little-known Autobacs Seven.

Sales and profit at the Osaka-based auto-parts retailer grew steadily through Japan's economic downturn. Nowadays, things look even brighter. With an economic recovery under way, the company plans to add 30 outlets to the 365 it already owns across Japan and projects that profit will grow 16 percent this year.

"Our earnings growth hasn't faltered since the bubble era," says Hidenori Nishimura, a spokesman for the company. "And as the recovery comes and the flow of money improves, consumers will feel freer to spend."

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But small companies such as Autobacs do have some advantages as the economy turns the corner. Some stem from the business cycle. Able to trim staff and cut overhead more quickly during a downturn, smaller companies often can recover faster on the upturn. But this time around, there are some structural twists as well.

"The exciting thing about these small companies is that they also have structural changes in the economy to look forward to," says Michael Hartnett, an economist with Schroder Securities.

Most prominent among these trends are the slow deregulation of the Japanese economy, the decreasing inflation rate and the increasing popularity of imported goods from American cars to French wines.

"It's the smaller companies that are going to be nimble enough to take advantage of these changes," Mr. Hartnett said.

These are companies such as Enomoto Co., which more than doubled its profit this year by focusing its efforts on the booming semiconductor business. Nikon Jumbo Co., another example, turned 50 percent more profit last year by pioneering a cheap method of developing photographic film.

At Autobacs, the company has turned the strong yen to its advantage by importing about 20 percent of the parts and accessories it sells. Because those parts are cheaper than domestically produced units, the company can either trim prices or add to its profit, and Autobacs is now burdened with the longstanding business relationships that make it difficult for bigger Japanese companies to change wholesalers and cut costs.

To some other cases, small companies are prospering because their business is confined to one prospering market. Enomoto, based in Yamashita prefecture west of Tokyo, gets about 60 percent of its revenue selling semiconductors to big companies such as Toshiba Corp., Hitachi Ltd. and Motorola Inc. The semiconductor market has been expanding so rapidly that the company predicts profit will be up a further 21 percent this year.

Japan Planning Its Own Information Highway

By Andrew Pollack

New York Times Service

TOKYO — The Japanese government is considering creating a multi-billion-dollar communications network to connect every home and business in Japan with optical fibers by the year 2010.

The plan, which was recommended Tuesday by the Telecommunications Council, an influential government advisory board, is expected to be adopted by the Ministry of Posts and Telecommunications.

It would form the core of Japan's response to similar plans in the United States for a national information infrastructure, sometimes called the information superhighway. As in the United States, most

of the actual work would be left to the private sector.

Such a network would be costly. The council estimated that bringing fiber optics to 75 million subscribers by 2010 would cost between \$300 billion and \$500 billion, depending on the network's sophistication. Laying the cables underground would require an additional \$400 billion.

Nippon Telegraph & Telephone Corp., the country's main telephone company, is already building a \$400 billion nationwide optical network, which it intends to complete by the year 2015. The council's plan would speed that up by five years, although it is unclear how a new timetable could be enforced.

Japanese companies and consumers have largely stood by while the use of computer networks has mushroomed in the United States and while U.S. telephone and cable companies have begun testing services like video on demand, home shopping and electronic libraries.

The U.S. companies are hoping to have fiber optics installed in most of their networks by early in the next decade, years ahead of the Japanese target.

Developing its own information

infrastructure would help Japan spawn new industries and make existing industries more efficient as the economy shifts from manufacturing to services.

The council recommended that the bulk of the network be built by the private sector, mainly telephone and cable-television companies. But the report also suggested that the government would help by providing tax incentives, low-interest loans and other inducements.

The advisory council also recommended the government lead in developing public service uses of the network, for health care and education, for example. This would help finance the network before commercial applications developed.

Analysts say that one reason Ja-

pan has fallen behind is the strictness of telecommunications regulations, which have left Japanese cable television companies undercapitalized and fragmented. Only about 3 percent of households here subscribe to cable services, compared with 60 percent in the United States.

Broadcasting and telecommunications have been considered separate fiefdoms in Japan, even though new technology allows them to merge. NTT would like to offer video services over its optical fiber network, but there is a concern that it would be powerful enough to wipe out the smaller and weaker cable companies.

The advisory board recommends reviewing regulations and possibly ending these industry distinctions.

Australia's Economy Posts Quick Expansion

Compiled by Our Staff From Dispatches

SYDNEY — Australia's economy grew an annualized 5.0 percent in the first three months of 1994, marking the best performance in more than four years, the government said Wednesday.

Gross domestic product — the value of goods and services produced in the economy — rose a seasonally adjusted 1.9 percent in the first quarter, for a 5.0 percent annual rate. That compared with an annualized 4.0 percent in the fourth quarter of 1993.

"It must be 30 years since we've seen economic conditions quite as good as this," Prime Minister Paul Keating said.

But the faster-than-expected turnaround in the economy, which three years ago was deep in recession, raised fears to financial markets of an inflationary backlash and sparked speculation of a rise in interest rates as early as September.

"The data were very impressive and are bound to stir talk of a tightening now coming sooner rather than later," said Andrew McGill, a foreign exchange dealer at Chase Manhattan Australia.

The government and private economists cast doubt on an imminent increase in rates. "Inflation remains low, the current account is stable and the climate for investment continues to remain stable," said Ralph Willis, the treasurer.

(Reuters, AFP)

Growth in the Philippines

The Philippine economy, which has lagged its booming neighbors in Southeast Asia for a decade, grew a better-than-expected 4.84 percent in the first quarter, news agencies reported from Manila.

The increase in inflation-adjusted gross national product, a measure of goods and services produced by an economy that includes income from abroad, compares with growth of 0.27 percent in the first quarter of 1993.

A resurgence in domestic production resulted in growth of 3.77 percent in the country's gross domestic product in the same period. This marks the first time quarterly GDP growth exceeded 3.0 percent since the fourth quarter of 1990, the National Statistical Coordination Board said. GDP does not include income from abroad.

(Bloomberg, AFP)

Investor's Asia

Hong Kong	Singapore	Tokyo
Hang Seng	Straits Times	Nikkei 225
13000	2000	2000
12000	2000	2000
11000	2000	1900
10000	2000	1800
9000	2000	1700
8000	2000	1600
J F M A M J	J F M A M J	J F M A M J
1994	1994	1994
Exchange	Index	Wednesday Prev.
		Close
Hong Kong	Hang Seng	9,512.07
Singapore	Straits Times	2,267.88
Sydney	All Ordinaries	2,097.20
Tokyo	Nikkei 225	21,053.11
Kuala Lumpur	Composite	982.89
Bangkok	SET	1,368.25
Soul	Composite Stock	932.77
Taipei	Weighted Price	5,961.45
Manila	PSE	3,114.44
Jakarta	Stock Index	494.33
New Zealand	NZSE-40	2,136.50
Bombay	National Index	1,840.67

Sources: Reuters, AFP

International Herald Tribune

Very briefly:

Honda Ltd. is planning a range of cheap and simple home appliances, such as microwave ovens and food processors, to meet demand from Japan's newly frugal consumers, a company spokeswoman said. She said the company was still considering whether to use a new brand name.

Hong Kong banks' net interest income rose 16 percent in 1993, slowed from 23 percent in 1992, the Hong Kong Monetary Authority said; total loans also rose 16 percent, and domestic lending increased 18 percent and offshore lending was up 14 percent.

Malaysia said as much as 4 billion ringgit (\$2 billion) was missing from a state-run foundation set up in 1967 in Sabah state to use profit from logging projects for social-welfare programs.

Toyota Motor Corp. is conducting a feasibility study on motor-vehicle production in Vietnam, a company spokesman said. Separately, two small telecommunications companies, Telexsys Japan Corp. and Nippon Monex Telecom Corp., each said Toyota was becoming their biggest shareholder as a result of separate financial rescue plans.

Japanese sales of new motor vehicles fell 1.7 percent in May from a year earlier, to 324,749 units, for a record 14th consecutive month of sales declines, an industry association said.

AFP, Reuters, Bloomberg

Taiwan Airline Names Chiefs

The Associated Press

TAIPEI — China Airlines has named a chairman and president to replace executives who resigned as a result of a plane crash in Japan that killed 264 people.

The airline said Chiang Hung-i,

employee since 1966, would become president.

Mr. Chiang and Mr. Fu will replace Liu Teh-min and Yuan Hsing-yuan, respectively. Their resignations, submitted Saturday, were accepted Wednesday.

Mr. Chiang said his first priorities would be to improve the airline's safety record and settle a dispute over compensation for victims of the April 26 crash of an Airbus at Nagoya airport.

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GREECE

CASINO INCREASE AIMS TO ATTRACT BIG SPENDERS

As the first summer tourists pour through Athens airport and take ferries from Piraeus to hundreds of islands, the Greek government is introducing new laws to encourage higher-spending visitors, both holidaymakers and business travelers.

The policy calls for new casinos (closely restricted in the past), more marinas for the Mediterranean yacht trade and better airports and roads, some of them paid for by the European

20 percent more U.S. visitors expected

Union. The casinos and adjoining congress centers will be financed by foreign investors, who are increasingly interested in the Greek market.

This is not the first time that the Greek government has sought rich tourists in order to tilt the balance somewhat against the backpackers and package tours that have been the mainstays of Greek tourism in the past.

An earlier attempt was made after the Gulf War, which put an 18 percent dent in Greek tourist figures. At that time, the Greek tourist authorities decided to improve hotels, clean up the beaches and launch a campaign to persuade Greek-Americans "to go back to the land of the ancestors."

The campaign worked to an extent, and tourist figures have been climbing back toward the 10 million mark. This year, the total should exceed 10 million.

Greece feels it has not been earning what it should from the influx of 2 million Britons, the largest group of visitors, followed by almost 2 million Germans. It would like to boost the \$4-\$5 billion earned in annual tourist revenues, a figure that puts it around 13th in the world.

The drachma's weakness this spring and the possibility of a devaluation should help tourism during the remainder of 1994. So will the multiple problems of neighboring countries traditionally dependent on tourism.

Athens, mainland tourist sites and the islands are havens of peace. There is no terrorist threat to tourists in the Greek capital, and both city and islands

are free from most other forms of crime and vandalism. Given these positive elements, the Greek government has been targeting foreign investors to back major projects such as casinos cum congress centers, which are generally money-spinners.

Tourism Minister Dionysios Livanos, who accompanied Prime Minister Andreas Papandreou on his recent visit to Washington, met leading U.S. hoteliers and casino operators. His proposal: invest in new complexes, often with government help, and reap the rewards.

In the past, the government has allowed only three casinos for the whole of Greece — one near Athens and two on the islands. This is going to change, and about a dozen casinos will bring license fees to the government of close to \$400 million, plus a 20 percent take from earnings and corporate taxes of about 35 percent.

For gambling and congress centers alone, the Greek government is expecting \$4 billion in investment from the likes of Hyatt, Sheraton, Conrad and Hilton.

Conrad has moved center stage by acquiring the management contract for the Astir Palace Resort at Vouliagmeni, near Athens. This development already has three resorts providing holiday and business facilities. Hilton is also interested; company spokesman David Goldstein says: "We are ready to go with a complete resort — beach, casino and congress center."

The attitude of hoteliers is changing. Major hotels, such as the Athens Hilton, have spent large sums on renovation. Smaller luxury hotels are opening in the capital. On the islands, standards of service are rising in line with official directives.

One example is the Hotel Paros Philoxenia on Paros island, a \$2-million-dollar development run by a new-style hotelier named Lila Pananikolaou. She has brought windsurfing's world championship to her hotel and attracted guests from Norway to Australia with a new emphasis on round-the-clock service.

Norway is a small market for Greece,

but 70,000 Australians are expected

this summer. Some 350,000 Americans, a jump of 20 percent, are also ex-

pected. **Alan Tillier**



Yachts line up in the Vouliagmeni marina: A major conference center/casino complex will soon add to attractions.

SALONIKA: INDUSTRIAL CENTER OF THE BALKANS

Salonika, capital of the Greek region of Macedonia and by extension all of northern Greece, is moving to the center of the European stage.

The city has long played second fiddle to Athens, where a third of the country's 10 million Greeks live and 60 percent of its industry is located. But with government incentives to encourage investment in the north, European Union funding and recent developments in the nearby Balkan countries, Salonika is beginning to attract both domestic and international attention.

Geographically and historically at a crossroads between Europe, Asia and the Balkans, Salonika was the commercial center of ancient Greece. Its main road, Via Egnatia, was built by the Romans to connect Rome with Constantinople, and Salonika became the second most important city of the Byzantine Empire.

The most populated city in northern Greece, Salonika has 1 million inhabitants. Population figures for the whole of central Macedonia in recent years indicate that the region is retaining its population more effectively than other regions and has a more balanced population distribution than the country as a whole.

About 15 years ago, a big push began, initiated in part by President Constantine Karamanlis, who was born in Macedonia and produced a regional

development plan to increase population and employment in northern Greece.

According to Tinos Stavropoulos of the Hellenic Industrial Development Bank, which is responsible for financing 75 percent of investment in northern Greece, there has been a "revolutionary increase" in industry and tourist development in the north.

The development of central Macedonia is based primarily on processing food and textiles. Characteristic of the dynamism in this sector is the increase in employment figures in recent years. Between 1978 and 1988, the number of people employed in processing rose by 24 percent, while the increase in employment for the country as a whole was just 2 percent.

A well-established and permanent infrastructure for the processing sector is being created in the region, centered in Salonika, and the Hellenic Industrial Development Bank has financed the building of industrial estates, providing complete road, water supply and sewage networks, as well as lighting and telecommunications, in the four major areas of the region.

Today, the port of Salonika is Greece's biggest exporting port (there are 1,000 export companies in Salonika alone and another 2,000 in other parts of Macedonia), and it is fast becoming an epicenter for the movement of goods in Central and Eastern Europe as new Balkan markets open up. EU-

funded infrastructure projects are improving highways, rail lines and airports, making Salonika one of Europe's most important areas for combined means of transport.

Last year's Salonika International Trade Fair, Greece's largest annual trade fair and a regular event in the city since 1926, had over 3,300 exhibitors representing 46 countries, 1,600 of

minerals, with the first three making up 50 percent of manufacturing activity.

Because the local agricultural output is considerable — half the country's apples and cherries, 94 percent of its peaches, 90 percent of its rice — a large

number of food manufacturers operate in the region. About 60 percent of the canned peaches imported by the European Union each year come from this area.

The region also boasts two of the largest Greek wine manufacturers, Boutari and Tsandali, whose wine bears an *appellation d'origine*.

Macedonia produces one-third of Greece's cotton, and both textile production and the clothing industry in Macedonia are showing dynamic growth. About 50 percent of textile production is exported, and the manufacture of products on behalf of third parties from West European countries is particularly widespread. The indigo denim used to make jeans is produced in Macedonia.

The state-owned EKO chemical, petrochemical and oil refinery complex dominates the chemicals sector. It had a turnover of \$80 million last year.

There are also companies producing industrial gases, manganese dioxide, acids and fertilizers. The country's only producer of electrolytic manganese dioxide, the raw material for batteries, is also located in Salonika and has an impressive export performance.

Pat Hamilton



The waterfront at Salonika, Greece's biggest exporting port.

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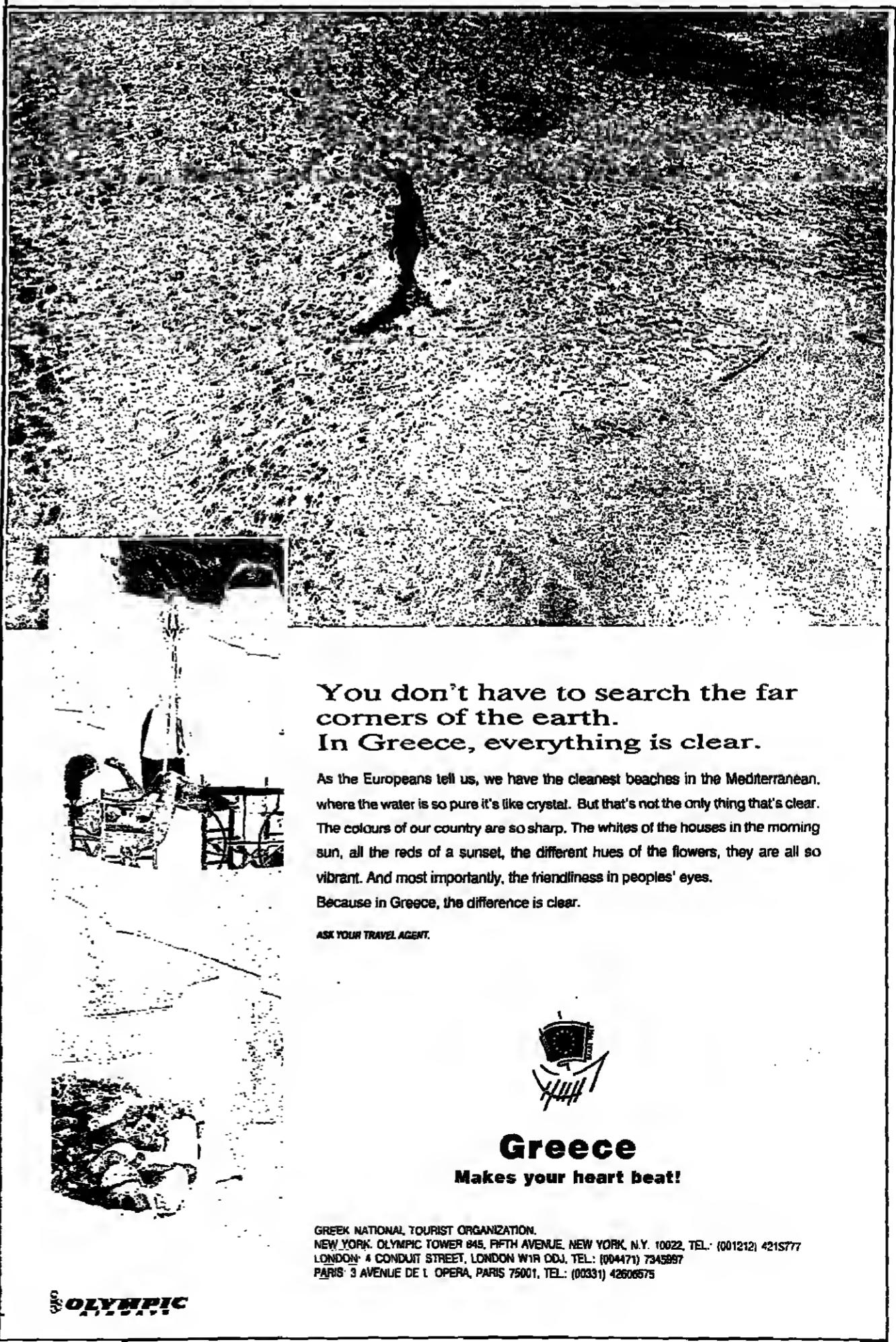
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SPORTS

Ruud, Please Say It Isn't So

International Herald Tribune

ONDON — Open letter to Ruud Gullit who quit the Dutch World Cup camp on Monday.

Dear Ruud,

How could you? Your country needed you, trusted you, gave you chance after chance to fulfill what millions achieve only in our

Rob Hughes

In fitness and in health, you walk away. You leave the Dutch camp in disarray three weeks before the start of a World Cup in the USA. And you say the reason MAY be spelt out after the event?

Sorry pal, you owe more than that. Your ability, your pull on the emotions of millions of fans — not all of them Dutch — guarantee global curiosity about this defection.

My personal admiration for you, as a player and as a man, makes this a hard letter to write. Down the years I have met few sportsmen of such deep and committed social and political conscience, and few people in any walk of life who could so genuinely throw off the false cloak of fame and express sensitive concerns for our planet. The rain forests, the ozone layer, the deprived in Africa, the fight against political repression. All were — are — active concerns to which you lend your time and some of your fortune.

Rare, to say the least. In addition, you have given an exceptional decade as a performer who could exhibit joy, even liberation, on the field.

I doubt that anyone had such gliding, almost balletic control of a 6-foot-4 physique as you. During the past nine months for Sampdoria, and apparently in training last week with the Dutch at Noordwijk, that grace and energy was bordering on the prime of Ruud Gullit.

Somehow, you found reserves with which to capture the game that came more easily before you had to struggle 30 months with knee injury that would have finished a man of lesser will.

You always said that soccer was a gift and that it

was incumbent on a player to let the imagination flow with it. You described the game as the child inside the man; I, and anyone lucky enough to spend time in your company, believed it implicitly.

What will you tell the children — your own daughters and your new son — when in the future they ask: Daddy, were you one of football's greats?

Ruud, you know to your bitter embarrassment how the Dutch failed their talents in 1990, how selfishness, hickering, mistrust of the trainer Leo Beenhakker splintered the group and wrecked the dream.

Your heart must tell you that there is no such thing as a great player who did not prove his worth on a World Cup platform. But, having captained the Netherlands to win the 1988 European Championships, you have rejected the opportunity to go all the way.

One week ago, you rejoined the Dutch training determined to go for gold, determined to let belligerence be bygones between you and the present coach, Dick Advocaat. The argument between you was twofold: that you hoped Johann Cruyff would return as mentor, and that you felt limited by the tactical role Advocaat handed you.

GREAT players have overcome this before. Consider Franz Beckenbauer — Kaiser Franz — who against his will, his desire, his judgment obeyed orders to man-mark Bobby Charlton throughout the 1966 World Cup final. Beckenbauer later enjoyed a cooperative reign under the same coach, Helmut Schoen, and captained Germany to win the 1974 World Cup.

Though you are currently saying less than a Trappist monk, I suspect fear of failure has gripped you more than anticipation of success.

Your silence, apart from personal outpouring to a trusted friend, may misguidedly be to spare your teammates criticism. Yet think of Advocaat. He is an honest if an obstinate man, and he pleads with you to speak your mind rather than let rumor fester.

Ron Koeman, the Netherlands' team captain and one of only three players at your wedding last month, has had to take sides. "Ruud could not have chosen a worse moment," he said. "It's a slap in the face for us players. Now we will have to do something completely different."

Indeed the timing stinks. You refused to play for the Netherlands all last year, returned to some extent on your own terms, and you pulled out without consulting friends in the squad.

Either way, you lose, the country loses, the World Cup loses. The even is already short of star appeal, and will be more so if Romero of Brazil and Maradona of Argentina carry out threats to withdraw.

Because soccer is a team game, because each World Cup is a coronation for new talents, the wind will change without you. But for a man whose principled stance on behalf of the then imprisoned Nelson Mandela placed the principle of respect for fellow men so highly, you have stumbled clumsily into a trap.

There are many who will suspect that you, in common with prima donnas, have such riches and such an ego you will turn on the style only when the whim suits you. That is not the Gullit I know.

Rather I feel you have allowed the child to rule the man, emotion to govern your hand. In doing so, you forfeit the ultimate challenge in football, and you underestimate how quickly the sport passes its players by.

A couple of days ago, while you agonized on your decision, Agostini Di Bartolomei shot and killed himself in his villa in southern Italy.

Di Bartolomei was 39, married with two children. His days as the big, strong, darkly handsome captain who led Roma to its last Italian championship in 1983 were over.

He had money worries, but they were not his killer. Rejection is. Rejection by the game he served for a dozen years in Rome, rejection by every Serie A and Serie B club he wrote to, seeking work as a coach.

"I'm shocked," said Nils Liedholm, Di Bartolomei's mentor at Roma. "He was such a great leader." A leader in the field unable to adapt, or to cope once the adulation and the sporting regimen ended.

Beware, Ruud, the policy of opting out while you have something to give. It passes with terrifying finality.

Rob Hughes is on the staff of The Times.

SIDELINES

League Bars Marseille From Signing New Players

MARSEILLE (AP) — The French soccer league has barred Olympique Marseille from signing any new players — other than on free transfers.

"This kills the rescue deal we had negotiated with a Canadian firm," the soccer club's vice president, Jean-Louis Leveau, said Wednesday.

He said the investors had been ready to put up 100 million francs (\$17.8 million) immediately on the condition that the club could sign new players to win promotion back to the first division and do well in the UEFA Cup. Marseille's financial director, Alain Larache, said the Winnipeg-based Platino-Marseille would be the main shareholder along with an unnamed British holding company and about 30 south-eastern French firms.

Russian Soccer Drops 4

MOSCOW (AP) — Pavel Sadyrin, Russia's soccer coach, has left four star players off what he says is his team's final World Cup roster.

The players dropped are winger Andrei Kanchelskis of Manchester United in England, forward Sergei Kiriyakov of Karlsruhe in Germany, forward Igor Kolyvanov of Foggia in Italy and forward Igor Shalimov of Internazionale of Milan in Italy. The four are the last holdouts from a mutiny launched by many of the team's veteran players in December. They demanded that Sadyrin be fired.

For the Record

Al Arbour, who guided the New York Islanders to four straight Stanley Cups a decade ago, retired from coaching Wednesday after 19 years with the club. (AP)

Jan Svorda of Slovakia won the 165-kilometer 11th stage of the Tour of Italy bicycle race from Manerba to Bibione, Italy, on Wednesday. (AP)

The African Athletics Championships, originally scheduled for August in Casablanca, Morocco, have been postponed and moved to Cairo the following month. (Reuters)

By Joe Lapointe
New York Times Service

Utah's center Felton Spencer going up for the shot over Robert Horry of Houston.

Rockets in Finals, But Jazz Provided No Free Launch

By William C. Rhoden

New York Times Service

HOUSTRON — What started out as a thankful escape for Houston after the Rockets nearly blew a 24-point lead but hung on to defeat Utah, 94-83, and win their first Western Conference championship since 1986. Houston took the series by 4 games to 1.

Houston led, 77-53, with 1:17 remaining in the third period.

But Utah wasn't finished. The Jazz, capitalizing on poor shots and

NBA PLAYOFFS

turnovers, outscored Houston by 22-4 and cut the lead to 85-77 with 2:40 left in the game. Robert Horry's overhead dunk and four straight foul shots by Kenny Smith put the game away for Houston.

Continuing its ferocious defensive play from Game 4 in Salt Lake City, Houston had the game firmly in hand from the start. The Rockets effectively put the game away with a third-quarter blitz when they held Utah to 32 percent shooting and built a 79-55 lead after three quarters.

Hakeem Olajuwon scored 22 points, Horry had 22 and Vernon Maxwell added 19 for Houston. Karl Malone had 31 for Utah.

Before Tuesday night's game, Mark Eaton, Utah's veteran center who has been reduced to spectator by a back injury, predicted that Game 5 would go to whichever team started out fastest.

"The team that's been the most aggressive on defense has usually come out the victor," he said. "That

seems to be the pattern. On Sunday, we had a must-win situation but they were the aggressors defensively. They were coming up with all the loose balls, making the big plays, the big stops and we struggled."

Buoyed by victory on Sunday, Houston shot out of the blocks Tuesday night. In fact, the Rockets enjoyed a sensational first quarter and an even better second one.

Houston's season-as-been characterized by Olajuwon's night-in, night-out heroics punctuated by a mystery-guest contribution from one or more teammates. On Tuesday, Horry and Maxwell stepped forward immediately.

Horry had 13 first-quarter points — 4 on spectacular dunks. Maxwell had 12 points on 4-for-5 shooting from 3-point range. The Rockets' barometer is the play of their guards, and in the first half they were a high-pressure system.

Houston led by 16-10 after a 3-pointer by Maxwell that forced a Jazz timeout. The Rockets led by 21-12 after a breathtaking fast break that ended with a flying baseline dunk by Horry.

On the next series, Maxwell stripped John Stockton of the ball and Horry took a give-and-go pass from Olajuwon and dunked down the middle to give Houston a 23-12 lead. On and on it went.

Utah would nibble, but Houston would roar back and take another bite out of Utah's heart. The Rockets led by 53-35 at the half.

Houston shot 66.7 in the first quarter and 58 percent for the half and held Utah to 37 percent.

On Sunday, Olajuwon struggled through his worst offensive game of the playoffs, scoring 16 points on 6-of-18 shooting. On Tuesday, Olajuwon — working at a moderate pace and letting Maxwell, Horry and Kenny Smith carry the load — had 10 points at the half on 5-of-9 shooting.

"The biggest key in stopping Hakeem is getting him out of his position," said Eaton, who had eight years of experience with Olajuwon.

"It's meeting him at the free-throw line and bumping him all the way down to the long post and getting him two or three feet farther out on the court from where his comfort zone is."

"Nine or 10 years ago you could get to Hakeem's psyche. You could mess with him a little bit and get him angry and frustrated and he'd probably throw a punch at you by the end of the game."

"For a few years, he was really into trying to power it up at low post. Once he developed that turnaround fade away — the famous 15-footer — he's been real tough to deal with."

Olajuwon hung back on offense in the first half, but on defense he was a terror. He had 4 of Houston's 6 blocked shots.

One of the Rockets' key moves defensively in Game 4 was putting Olajuwon on Malone, who was ineffective when he had to contend with a quick 7-footer in his face. Olajuwon had five blocked shots, and Malone scored only 4 of his 23 field-goal points while guarded by Olajuwon.

Canucks Come Back Twice, Ice Rangers

By Joe Lapointe

New York Times Service

NEW YORK — If the New York Rangers win the Stanley Cup for the first time in 52 years, the Vancouver Canucks will force them to earn it. They showed that with emphasis at Madison Square Garden when they came from behind twice and beat New York, 2-2, in overtime in the opener of the final.

By Greg Adams

New York Times Service

at 19 minutes,

26 seconds of the first overtime

following a one-time slap shot from the slot, following a two-on-one break.

Moments before the Rangers came close to

winning it Tuesday, but Brian Leetch's shot hit the crossbar behind Vancouver goalie Kirk McLean, the star of the game with 52 saves.

The Rangers were going to try to even the

series Thursday night at the Garden. After that, the next two games are in Vancouver.

The Canucks had tied the game, 2-2, with one minute left in regulation. Martin Gelinas, standing in front of the Ranger net, deflected Cliff Ronning's shot past Richter. The puck trickled over the line.

Alexei Kovalev had put the Rangers ahead at 8:29 of the third period after a multiplayer display of skill that began at one end of the ice and ended at the other. It started when Sergei Zubov, in his own zone, passed the puck from right to left, barely out of the reach of Vancouver players patrolling the middle.

Kovalev fed the puck to Leetch, who went

deep and passed back to Kovalev. Instead of

shooting right away, Kovalev faked and forced

control, raced up the left boards, crossed the Vancouver blue line and drifted to the right, drawing the defenders toward him. Setting up at the top of the right circle, he faked a slap shot, forcing the defenders to commit and turning McLean, in his direction.

Leetch then sent a pass across the grain, to the edge of the crease, where Kovalev met it on

STANLEY CUP

the fly and put it into the net before McLean could get back to cover that side.

The Canucks had tied the game at 1-1 at 5:45 of the third period on a goal by Bret Hedican, who scored from the slot after Richter, under pressure, tried to clear the puck from his crease area with a delayed penalty, about to be called on the Rangers.

The Rangers dominated the first period, with a shot-one-goal advantage of 15-10, but they held only a 1-0 lead at intermission.

It could have been worse for Vancouver. After Steve Larmer scored during a four-on-four situation, he also hit a crossbar on a power play. The Rangers played at a frisk pace. They were skating through open ice and creating exciting chances, particularly Kovalev, who set up Larmer's goal at 3:32.

Kovalev fed the puck to Leetch, who went deep and passed back to Kovalev. Instead of shooting right away, Kovalev faked and forced

Dave Babych, the defenseman, to commit him. It is one of his pet moves.

McLean made the initial save on Kovalev, but Larmer scooted in for the rebound. He bounced it off the goal post, but it came back and hit the goalie in the leg and caromed over the red line.

There were several hard body checks, the hardest of them when Jeff Beukeboom of the Rangers slammed Sergio Momesso into the boards. Joe Kocur of the Rangers went off midway through the period with what appeared to be a leg injury after he was flipped into the goal post after getting tangled with Brian Glynn.

The second period was scoreless, so the third session began the way Game 7 did in the previous round against the Devils: with the Rangers leading, 1-0.

Vancouver, a large team, continued to take the body, sometimes illegally. Momesso went off for interference after knocking over Richter. Although the Rangers weren't shadowing Bure in the classic sense, they paid close attention to him with either Graves or Esa Tikkanen often drawing the assignment. In the first two periods, Bure had one shot on goal. Late in the second, while forechecking, Bure lined up Beukeboom in the corner and thumped him into the boards with a hard, legal check.

The big defenseman responded by hitting the smaller forward over the back with his stick and was penalized for it.

DENNIS THE MENACE

PEANUTS

